

Maclean's

A BRUTAL
MAFIA HIT IN
TROUBLED ITALY

MAD AS HECK

**WHY CANADIANS —TYPICALLY— ARE
REPRESSING THEIR RAGE**



"For me, the comfortable fit of Jockey For Her Underwear always scores a perfect '10'."



Nadia Comaneci
Olympic Gymnast
5 time Gold Medalist
Scored a perfect '10' in
seven Olympic Competitions
Montreal, Quebec
Canada



For Hosiery That Fit... Wear jockey For Her Hosiery with LIGRA

For an 8" x 30" underwear package of this cut, send \$2.99 or check payable to:
JOCKEY FOR HER, INC.
NADIA COMANECI POWER
Dept. MA, P.O. Box 1039
Kitchener, ON N2J 1A1
All packages will be shipped to the
Quebec factory for
International shipping.
International Children's Division

Copyright © 1992, Jockey International, Inc. All rights reserved. No part of this publication may be reproduced without written permission. Jockey International, Inc. is a registered trademark of Jockey International, Inc.

Maclean's

CANADIAN WEEKLY NEWSMAGAZINE JUNE 8, 1992 VOL. 132 NO. 23

CONTENTS

2 EDITORIAL

4 LETTERS

8 OPENING NOTES/PASSAGES

Meredith Rickler feels a snail's homemade handbikes rink high for kids; a writer spots the good in evil creatures; sequel thrillers score on the big screen; a presidential hopeful shops Canadian; a new field sport shows its colors; an sitcom thus private class.

11 COLUMN/CHARLES GORDON

12 CANADA

Despite claims of progress at last week's talks, many constitutional constitutional issues remain to be solved. Toronto police plan to seize mafia pictures in the hunt for evidence against local noters.

18 COVER

28 WORLD

Billions of dollars in Western aid and technology needed to avert another Chernobyl-like catastrophe in the former Soviet Union.

33 PEOPLE

36 BUSINESS

Cowboy Whorl's future may brighten under its bankruptcy administrators; Conrad Black studies a reissue bid for the New York Daily News; Moses Zussman gathers support for an entry into British television.

41 BUSINESS WATCH/PETER C. NEWMAN

42 WEATHER

El Niño reaches Alberta—as well as southern Africa.

43 SPORTS

46 SPORTS WATCH/TRENT FRAYNE

49 FILMS

The Waterdance, a story about men relieving their macho after perishing injury, delivers emotional honesty with wit.

50 BOOKS

Woody Dennis hints that in a time of sexual turmoil, honesty and empathy are more important than ever; a disarming new novel looks at Chapoquid's from the victim's view.

52 GUEST COLUMN/STEWART MacLEOD

COVER

MAD AS HECK

As their faith in their economic future erodes, Canadians have lost their sunny optimism. Bitter, anxious and cynical about their very way of life, they are seeking over taxes, questioning the legitimacy of Canada's basic institutions—and have developed an almost corrosive dislike for political leaders and a growing distrust of their ability to solve the nation's problems.

— 18

WORLD

A MAFIA HIT

On May 23, a one-ton bomb killed the scoundge of the Sicilian Mafia, the legendary Judge Giovanni Falcone, as he drove to his seaside villa in Palermo. The murder sparked a public outcry and calls for Italy's leading politicians to act swiftly to solve the country's widening crisis of lawlessness.

— 28



SPORTS

PALACE REVOLT

One of the best Stanley Cup matchups in years pitted superstar Mario Lemieux and the defending-champion Pittsburgh Penguins against the gritty Chicago Blackhawks. But rumors of an on-ice "coup" to oust NHL president John Ziegler dented the lustre of a heritage struggle on the ice.

— 42



A Feeling Of Betrayal

In a landmark cover story, Contributing Editor Mary Jannigan this week details the largely repressed anger and anxiety that is a day-to-day reality for millions of Canadians. But how can citizens in Canada, the United States, Britain and other Western countries suck into their varying states of despair and contempt for political leaders and the Establishment in general since the mid-1980s is also a largely unexamined phenomenon. Throughout the 1970s, businesses—legitimately—pressed governments to get out of the private sector and concentrate on reducing their spending deficits. Then, starting with Margaret Thatcher in Britain and spreading quickly to Ronald Reagan's America and Brian Mulroney's Canada, a series of conservative governments responded to the appeals with zeal.

Thatcher and Reagan effectively told citizens to reduce their reliance on government and depend on themselves to fashion the kind of lives and security that they sought. Governments were asked to concentrate on spending reductions and, if transfer payments for traditional ser-

vices had to be reduced, then it was going to be up to local governments to raise taxes to cover the shortfall. The mainstream media took up the cause—in a largely uncritical way. Taxes did go up. New approaches and ideas for governing either withered or were awkwardly swept aside.

Through most of the ensuing 1980s, the top one-third of income earners, those who populate think-tanks and the media, among other occupations, were getting ever more comfortable.

The search for new approaches to economic management or for new roles for governments, politicians and the media was drowned in a chorus of halfhearted pleas for the highest rollers. Now, in the midst of a serious recession—which may, indeed, be a depression—and with many of the highest rollers in disgrace or even in jail, many North Americans and Europeans, seeing the Establishment exposed as an apparent failure, feel betrayed. It is to be hoped that the time is ripe to redefine the rules of government, business, the media, environment, saving, taxing and spending to restore an economy that has been ravaged.



Jannigan: a need to restore a ravaged economy

PHOTOGRAPH BY

Kim Woych

Every Time Another Home Converts To Natural Gas, The Family Over At Parson's Meadow Seems To Step A Little Livelier.

RESEARCH REVEALS that 80 per cent of the new homes built in Canada choose Natural Gas. There are some excellent reasons for that. Homes that use Natural Gas pollute a lot less than homes that use oil or coal and they're cheaper to run, cheaper, even, than electricity. In fact, Natural Gas actually heats water up to 2½ times faster than electricity while drying clothes for up to 20% less. And those are just a few of the ways Natural Gas can work in the home.



Today everyone—from grandparents to grandchildren—is aware of the importance of issues like the environment and energy conservation. They're issues that make Natural Gas a uniquely modern, Canadian fuel. Modern, because Natural Gas is a highly efficient and virtually non-polluting energy source, Canadian, because it's a resource that this country has in abundance.

Canadian families have one thing in common. They all need a clean, safe environment in which to grow. One of the places Natural Gas can make a big difference is in your home. All it takes is a little "home" work and some intelligent choices and you can save money and pollute less.

No one's saying Natural Gas is the perfect answer. But it is one of Canada's greatest natural resources and until something better comes along, smart Canadian families will

continue to take advantage of it for a long time to come.

For a free booklet on how you can help the environment by the use of natural gas, call this toll-free number:

1-800-668-1503



Natural Gas.
The Natural Choice.

Maclean's

OWNER'S WEEKLY NEWSMAGAZINE

EDITOR: PAUL CHASE

Managing Editor: Robert Leach

Executive Editor: Carl Macdonald, Art Healy

Assistant Managing Editor: Michael Bennett

Senior Editor: Ian Stewart

Senior Contributing Editor: Peter J. Seamus

Senior Editor: Ian Stewart, Geraldine

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Book Review Editor: Peter Lewis (Canada), Ross Wilson (United States)

Death dilemma

In "Deadly recklessness" (*World*, May 18), your reporter describes capital punishment as a "crude game" and one of its victims as a "great statistic." She portrays its methods as "gratifying" and quotes opponents of capital punishment as calling executionists "barbaric acts of primal vengeance." Finally, she quotes capital punishment opponent Leigh Dayneson scolding at the perfect opportunity to attempt to make it civil, quiet and painless. If the same reporter had spent some time with the families of the murder victims, she would have no doubt realized that the 23,438 people who were murdered in the United States in 1996 concerned anything but civility, quiet and painless deaths. The justice system has its faults, but it is not the criminal—say family member of a murder victim would tell you that.

Joe MacDonald,
Charlottesville

Death row in the United States, especially housing these Canadians, reflects not only that country's Wild West vengeance mentality, but also its shallow obsession with instant gratification. Some capital punishment advocates honestly state their aim is revenge, but must cloak their support in the claim of deterrence, apparently unfazed by the lack of evidence to that effect. If these people were truly interested in reducing violent crime, they would work on some of its causes, including an economic system that punishes the poor with deplorable welfare and education programs, and a culture that regards gun ownership as more of a right than health care. But that would mean sacrificing both some material comfort and the quick rush of seeing a bad guy get his.

Jeffrey Bernard,
Jerdondough, Ont.

When a Canada as a nation going to come to its senses? We say not that execution is cruel, barbaric and unnecessary. It is not shooting, stabbing or beating someone to death all of those things? We have to show convicted and potential murderers that in taking another life, they have forfeited theirs. A lifetime in prison is far more than murder victims are offered.

Karen Gonzalez,
Thames, Ont.

Dynamite Dunsdon

Thank you, Marlowe, for the May 15 "People place 'Canadian content,'" about our reigning Miss Canada, Nicole Dunsdon—truly the picture of business-L. along with us



Maconville, Texas, execution chamber: America's 'Wild West' vengeance mentality

women and four men, viewed the Miss Canada Pageant last October and the Miss Universe Pageant last May. Our sensation, the Miss Canada Pageant, greatly surpassed the other looks in entertainment content and in quality programming. We have much appreciated its popularity within the Canadian mosaic, and are very sorry that it will exist no longer.

Colin Hryk,
Ottawa

To the people who successfully lobbied to have the Miss Canada Pageant cancelled: who are you to decide what is degrading for me or for anyone else? You have taken something that holds great honor for the participants and have thrown it into the garbage. The pageant allowed young women to set high goals for themselves. It was a great way for them to expand their self-confidence, public speaking and social skills—and to be involved in something constructive and fun. If those opposed to the event felt degrading, they should first direct their attention to other activities and, second, should seek some professional help. It is unhealthy to have a need to take things that give others pleasure away from them.

Lynette Denker,
Ottawa, B.C.

Educated guesswork

I read with some dismay that British Columbia's minister of education, Arta Hogg, was touting the province's educational direction as being a positive one ("The three Rs again," *Education*, May 11). If your reporter

had ceased to investigate the "year 2000" philosophy, which seeks to ensure that all 16-year-olds are fully literate and competent in basic mathematics by the turn of the century, he might discover that the minister was blowing a nonexistent horn. As a secondary-school math teacher, I am extremely concerned with the growing number of students that I get who are functionally illiterate in mathematics. The notion of keeping our students warm and cuddly and feeling good about the same has a cost going to get us ahead. And unless our present trend is reversed, our students will be the four sweepers in office buildings and laundries owned by offshore "literate" in math, science, technology and, yes, even our own English.

Garry A. Housh,
Kamloops, B.C.

Tax tizzy

The federal funding that has been allocated to the proposed Territory of Nunavut should, at the very least, equal taxpayers across Canada ("A taste of it," *Canada*, May 4). The estimated yearly \$182 million in extra costs that will be required to finance a new government for a population of only 20,000—not counting the \$540-million-plus it will take to start up the government—is completely unacceptable. What southern Canadian towns with a population of 20,000 has a yearly operating budget of \$185 million? In those towns when fiscal restraint is necessary, the government proposal to duplicate services at such a cost is truly an outrage.

Jon Gieson,
Nelson, B.C.

Letter was in error. Please supply name, address and daytime telephone number. Letters to the Editor (Editor's response) *Maclean's* Reader Mail, 277 Bay St., Toronto, Ont. M5H 1A7. Or fax (514) 921-7755.

Their rye is made of what?

Ours is made of rye.

Today, most rye whiskies are made from corn.

But not Alberta Premium.

When it comes to making rye we still use real Canadian Prairie rye grain. Alberta Premium. A real honest rye.

Alberta Premium.
Rye that's actually
made from rye.



While others were struggling to get to work, Canon went to work on an alternative workstyle,

The Canon Home Office.

The same business technology chosen by Canada's top 500 companies is now available at a size and price to fit the needs of the growing number of people who are working at home.

To find out how you can avoid the everyday rat race, see your Canon dealer. Call 1-800-883-HOME for a location near you.



Personal Copiers
that are virtually maintenance free



Computers with factory-installed software



FaxPhone
that ingeniously combines a fax with a phone



The all-in-one Personal Publishing System



Bubble Jet Personal Printers
the lower quality, low cost choice



Calculators
for everyday and every field

Canon
HOME OFFICE PRODUCTS

ANOTHER VIEW



Who cares what the consumer thinks?

BY CHARLES GORDON

Revolutions of real significance are taking place around the world. Workers and artists, students and farmers rise up in protest against injustice. In Canada, the most revolutionary people are consumers. While downtrodden peoples in developing countries rally for freedom, privileged Canadians pass at the American border, preparing a daring dash for cheap goods.

Thus do Canadian revolutionaries make their presence, as well as their absence, felt. Some observers find the consumer revolting. To others, it is just revealing. In Ontario the governing New Democratic Party is badly split over Sunday shopping, which many in the party philosophically oppose, but which the consumer and important elements of the business community favor. Other public dissent. Premier Bob Rae announced late last month that his government will sever its ties banning Sunday shopping.

That a decision to keep stores open seven days a week is hailed as a victory for democracy only demonstrates how important a force the consumer has become. To many, "the consumer" is synonymous with "the people." The consumer inspires politicians when they see "consumer" they think "noise," although the two are not necessarily synonymous. Decisions—at Sunday shopping, on food prices on store hours, on shopping centre expansions—are made in the name of the consumer. And it has become accepted in our society that what the consumer wants is what will benefit society as a whole. No one wants to say out loud what seems quite evident—the consumer is sometimes wrong, distastefully wrong, unable to see where his real interest lies.

An aggressive and depressing list of bad trends, all involving the consumer's cause, grows.

● **Sunday shopping** could be one. There is no particular proof that Sunday shopping does

This mythical creature, to whom we build statues in the form of new Sunday shopping laws and gleaming malls, is often a dope

anything more than take bonuses away from other days. Meanwhile, it forces people to work on Sundays and hastens the process by which large chain stores that can afford to operate seven days a week squeeze out small locally owned stores that can't. You would think an wise government, philosophically oriented toward the little guy, would be the last to cave in to big retailers and big shopping centres, but there you are. The political threat posed by the consumer is too strong; even if all the consumer wants is the right to wander around shopping centres one more day of the week.

● **Cross-border shopping.** This, of course, is what forced the Ontario row's head on Sunday shopping. Canadian consumers race across the border to buy the kind of cheap goods that a country with low wages and a third-rate social security system can produce. So empty are their lines, apparently, that a three-hour line-up of cars at the border covering half a square is an acceptable trade-off. It is not important to the consumer that his thrilling experience as hunting-Canadian businessmen and eating Canadian jobs. No, he has a right to cheap goods and to a great Canada. If pressed to justify his actions, he may claim that he is protecting the

domestic Goods and Services Tax. Maloney made me go to Buffalo.

This is the consumer at his or her worst—a person for whom a bargain transcends all other values. Such thinking has, over the years, driven quality retailers and manufacturers out of business, replaced by people who make and sell things cheap. When you look around your town and find a video store where your favorite restaurant was, when you see a discount-event discount food chain where the best local dining store used to be, you understand what has been happening. Something cheaper opened across the street and everybody went there.

The consumer, this mythical creature to whom we build statues in the form of new Sunday shopping laws and gleaming malls, is often a dope. Demanding his rights, as if rights mean compromise and forcing they sales were enshrined in the Constitution, he charges ahead, wielding his plastic sword and unaware of the damage he does with it. The politicians, cowed by the consumer's power, are forced to open the stores on Sunday to keep this seated creature from crashing the border.

The list doesn't stop there. There are other elements.

● **Pieces in crisis.** Part of the threat to Canadian agriculture is posed by the self-serving policies of the European Community—but not all. The Canadian consumer must pay what food is worth, a taxpayer. Cheeses and milk are regarded as a right, even by those who can easily afford to pay much more, pay what is paid in other countries. The result is a price-cost constraint for many of our farmers and a high level of government subsidy paid to keep some farmers from going under. Meanwhile, farmland is taken out of production day in order to make more amusement parks and golf courses for the consumer, to take his mind off high farm subsidies, perhaps.

● **Stratification by automobile.** For decades it has been known that automobile consumers are becoming the equivalent of a caste system. How have been taken. Manufacturers have produced more efficient cars. Lead is out of gasoline. More people ride bicycles, buses and subways. Yet the highways and city streets are still clogged daily with cars, cars occupying far too many more only one person. And governments wouldn't dare take strong action to force people out of cars and onto public transit, lestward, transit systems' deficits, they cause them. The consumer, in his car, doesn't complain. A similar noise and air-polluting glut of pleasure boats is spread in as well, because the consumer demands his boat and doesn't care much what happens to the lake in 20 years.

If these trends are to be reversed, we have to realize that the consumer is not sacred. The consumer is only part of an society. We are also producers, students—each part with as much right to be heard as the other. Lately, governments have been listening to the consumer as if the consumer were synonymous with the voter. For the sake of our survival as a decent society, it's high time that we wise word of most in Buffalo, at a mall, on Sunday.

A CRITICAL MOMENT

THE FIRST MINISTERS PREPARE FOR ANOTHER ROUND OF TALKS

The hundreds of pedestrians walking briskly along downtown Toronto's John Street early one evening last week reacted impassively to the familiar faces of several prominent politicians walking towards them. For most of the people, their immediate concern was reaching the Toronto Stock Exchange in time for the 7:30 p.m. start of a Blue Jays baseball game. There were only a few murmurings of recognition and a few odd remarks as they stopped quickly around Constitutional Affairs Minister Joe Clark, Ontario Premier Bob Rae and Prince Edward Island Premier Joe Ghis, each walking with their aides to dine separately at nearby restaurants after a busy 11-hour meeting on constitutional reform at the Royal York Hotel. The talk, which an exhausted Clark had earlier described as "crucial to the future of Canada," had several times almost collapsed after heated disputes that outside the hotel, few people seemed to know—or care.

That was of anger and exhaustion among government leaders—and squabbling on the part of many other Canadians—reflected in the aggressively named set that surrounds the current round of constitutional talks. Throughout a series of daylong closed-door meetings, there was a clear sense of urgency among many of the nearly 600 federal, provincial and native participants and advisers who were struggling to meet their May 31 deadline for a tentative agreement on a proposed package of reforms. After a coalition of provinces led by Ontario rebuffed his province's proposal for a Triple E Senate—equal, elected and effective—Alber-

t of many other Canadians—reflected in the aggressively named set that surrounds the current round of constitutional talks. Throughout a series of daylong closed-door meetings, there was a clear sense of urgency among many of the nearly 600 federal, provincial and native participants and advisers who were struggling to meet their May 31 deadline for a tentative agreement on a proposed package of reforms. After a coalition of provinces led by Ontario rebuffed his province's proposal for a Triple E Senate—equal, elected and effective—Alber-

ta for Intergovernmental Affairs Minister James Bhaugass said: "I do not know why it thrives people. It only thrives people because it is apparently moving away from the status quo."

But the atmosphere outside the negotiating rooms was markedly different. Instead of a sense of urgency, the reactions of most Canadians seemed to range from disinterest to apathy—an impression borne by the belief that most of the issues being discussed do not affect them and are of interest only to the participants themselves, said Ghis. "There is enormous pressure from the Canadian people in politics to get this process to an end."

By week's end, after a series of deliberations that began about two years after the death of

during or transfer of powers to fields that include employment training, culture, regional development programs and education payments. But many of these agreements are only broad agreements of principle that still require more factual and budgetary working—the search for which may give rise to additional disputes. As well, Quebec may oppose even the tentative terms of some of the existing agreements.

Although the participants are determined to have meaningful progress in a number of areas, they still face an array of problems. A case in point was a much-battled agreement among active leaders and federal and provincial negotiators to authorize in the Constitution a description of the native right to self-government. Said Jeremy Webber, a constitutional law professor at McGill University in Montreal: "This rewording of the broad level of consensus among Canadians that natives should have some form of self-government."

But the actual agreement leaves undefined many of these self-government provisions. Instead, it provides for a three-year writing period during which native leaders agree to keep any disagreements out of the courts and try to resolve disputes through negotiated settlements. As a result of that uncertainty, Quebec's Intergovernmental Affairs Minister Gél Rémindé said that his province has "serious reservations" about supporting the agreement. And constitutional experts say that is because of the newly defined content and living conditions of Canada's various native groups, many of these negotiations will have to be handled individually—a highly complex and time-consuming process, cautioned Webber: "Different native groups will want and need different things from this."

The debate over Senate reform is equally complex—and, for some of the participants, even more divisive. The proposal that each province should be equally represented in the upper chamber arouses so much emotion that at various and opposite of the concept cannot even agree at similar arrangements have worked well in other countries. Alberta's representatives, who have become the vocal opponents for the first province that supports a Triple E Senate, often cite the United States as a country in which such a system has proven successful. That opponents of the Triple E say that the U.S. Senate has served to promote regional interests at the expense of national ones, and that the existence of a similar legislative body in Canada would make



Rae (left), Clark: a mix of anger and exhaustion

the Meech Lake constitutional accord, it seemed probable that many of the most contentious issues on the constitutional negotiating table would again be referred to the country's 11 first ministers. They will meet—privately in several different occasions—within the next month, although these talks will be further complicated if, as seems likely, Quebec Premier Robert Bourassa refuses to attend. Bourassa's government has rejected talks since the Meech Lake collapse and is under pressure from Quebec nationalists to continue to stay away from the bargaining table, although federalists in his caucus privately say that he would like to end a reform in return.

The opening round of meetings will take on particular importance because of the wide range and degree of issues that remain unresolved. In the past two weeks, negotiators have reached a series of agreements involving the

consensus process, cautioned Webber: "Different native groups will want and need different things from this."

The debate over Senate reform is equally complex—and, for some of the participants, even more divisive. The proposal that each province should be equally represented in the upper chamber arouses so much emotion that at various and opposite of the concept cannot even agree at similar arrangements have worked well in other countries. Alberta's representatives, who have become the vocal opponents for the first province that supports a Triple E Senate, often cite the United States as a country in which such a system has proven successful. That opponents of the Triple E say that the U.S. Senate has served to promote regional interests at the expense of national ones, and that the existence of a similar legislative body in Canada would make

AN UNUSUAL SUIT

Claiming that they were the victims of a malicious prosecution, former Liberal cabinet minister John Munro and several other leaders filed a \$25-million lawsuit against the federal and Ontario governments, their Crown attorneys and the RCMP. The plaintiffs also filed 37 charges—including breach of trust, conspiracy, corruption and fraud—ranging from the time that Munro served as Minister of Justice, from 1989 to 1993. But when an 11-month trial, the charges were all dismissed or withdrawn late last year without the defence having to call evidence.

AN ABRUPT ADJUSTMENT

A heart-throb and TV's young hunk, former B.C. premier William Vanden Eynde, was abruptly ousted after Vanden Eynde's lawyer said that the defence would not call any witnesses because the Crown had failed to prove its case. B.C. Supreme Court Justice David Campbell will hear final arguments in the case this week.

SPARRING OVER WESTRAY

New Scotia Liberal M.L.A. Bernard Boudreau accused Conservative Premier Donald Cameron of threatening to discredit him publicly unless Boudreau stepped aside from operations at the Westray colliery in Pictou, N.S. Cameron (referred to as called Boudreau in November, 1990, to discuss the M.L.A.'s concern about the mine—the site of a May 9 explosion that killed 26 men—had denied making any threats against him.

ASIAN GANG ALERT

Vancouver Asian Business leaders believe what they called Canada's "Asian and Chinese" immigration and deportation laws for violence against members of this community by heavily armed Asian gangs—including at least one recent murder.

RAMPAGE IN HALIFAX

About 100 demonstrators, both white and black, smashed store and car windows and looted a motorist during a brief rampage following a highway closure in central Halifax. The teens roared "Remember Rodney King"—a reference to the black motorist who was severely beaten by the Los Angeles policemen.

THE BOOTS OF VIOLENCE

CRTC chairman Keith Spence urged broadcasters to reduce voluntarily the amount of bloodshed on television after a CRTC report couched that violence in society is linked to violent actions on television.

SENATE REFORM



• AGREED: The existing appointed Senate will be replaced with an elected body. The new Senate would exercise more power than the existing chamber, but it would still be unable to defeat legislation authorizing the federal government to spend money.



• AGREED: The inherent native right to self-government has been accepted. The native community would be subject to the Charter of Rights and Freedoms, although, like Ontario and the provinces, its leaders

NATIVES

could use the so-called notwithstanding clause to opt out of their charter obligations.

• STILL UNRESOLVED: Several provinces want a clearer definition of the powers available to natives under self-government.

REDISTRIBUTION OF POWERS



• AGREED: The provinces will enjoy exclusive control over job training, housing, forestry, tourism, mining, recreation and municipal affairs. As well, Ottawa will relinquish most of its control over culture. The provinces would also get more power over inter-provincial and would have the right to opt out of national shared-cost programs.

receiving compensation from Ottawa if they implement similar programs that meet specified national standards.

• STILL UNRESOLVED: Quebec wants more power over energy, telecommunications, regional development and trade policy. The western provinces want more power over international matters such as trade and treaties.

SOCIAL AND ECONOMIC ISSUES



• AGREED: The Constitution should secure in commitments to preserve and protect universal health care and other social programs, the system of equalization between richer and poorer provinces.

and the free flow of goods, capital and services throughout the country.

• STILL UNRESOLVED: Ottawa and the provinces have yet to agree on the wording of the commitments, or how they would be enforced.

QUEBEC ISSUES



• AGREED: Quebec will be defined in the Constitution as a "distinct society," characterized by its language, culture and civil-law traditions. The document would also enshrine the tradition by which three of the nine Supreme Court justices are chosen from Quebec.

• STILL UNRESOLVED: There is no agreement on Quebec's demand for a veto over future constitutional change. Several provinces, led by Alberta, say that they will agree to the veto only after Senate reform has taken place. Newfoundland is opposed to a Quebec veto under any circumstances.



The Senate chamber: a complex and emotional debate over whether each province should be equally represented

the federal government even bigger and more onerous than it is now.

Alberta's Triple E Senate proposal would lead to Ontario and Quebec—which together account for almost two-thirds of the country's population—each having only a tenth of the seats in the upper chamber. Because of their current strength, they could effectively block any move to reform the Senate at their expense (under the current Constitution, changes to the Senate would require the approval of seven provinces representing at least 50 per cent of the population). In response, Alberta has threatened to block Quebec's demand for a veto over constitutional changes—one of the key conditions that the province has set for its return to constitutional talks. Unlike a proposal to reform the Senate, a veto for Quebec would require unanimous approval from the provinces. Said David Milne, a political scientist at the University of Prince Edward Island: "You have a real stalemate, with everyone willing to see who blinks first."

Even if those issues are resolved, analysts caution that there could be further complications over those areas where there has been agreement without full federation. In one case, the provinces and Ottawa agreed two weeks ago to a new but largely unspecified arrangement to redistribute responsibility for cultural policies and funding. At the time, many members of cultural groups—who for the most part want the federal government to play active in the field—were alarmed by reports indicating that the provinces would be taking over primary control. That might have led to serious leverage for such institutions as the Canadian Broadcasting Corp., the National Film Board and the Canada Council, which controls grants to artists, writers and others.

Keith Kelly, the director of the Canadian Conference of the Arts, an umbrella group of

arts organizations, actually described the agreement as "onerosome." But last week, Kelly received similar assurances from Clark that the new Constitution would isolate an amendment-making institution and responsibilities that would remain under federal government control. Although members of arts groups are



CANADA WATCH

After two months of legislative activity, the English-speaking provinces in western Canada continued to disagree over how to proceed. In Alberta, the demand to support the new Constitution was rejected. In Saskatchewan, the demand to support the new Constitution was rejected. In Manitoba, the demand to support the new Constitution was rejected. In Ontario, the demand to support the new Constitution was rejected. In Quebec, the demand to support the new Constitution was rejected.

A Parti Québécois leader Jacques Parizeau said that a strong united government would be possible to handle the new elements given in the hands of the provinces under a reform of the Constitution. A Royal Canadian Mounted Police spokesman said that the new elements would be handled by the new elements. He described the situation as "dangerous."

QUOTE OF THE WEEK

"The therapy is almost completed—and we would be wise to get on with the rest of our lives."

—Conservative Affairs Minister Joe Clark on the prospect of a constitutional conference in the early 1990s

worried about exactly which cultural groups Ottawa had agreed to transfer to the provinces, Clark's letter brought some reassurance. Kelly: "We have moved from a state of great worry to a feeling of great relief." But he added "This does not mean that we have to be very careful about every step of the way."

That caution is shared by others, including some of the participants who feel that more attention has been paid to reaching agreements than to the contents of what is agreed upon. As a result, it is sometimes frustrating for a province to appear to agree unanimously with contradictory goals of some. Because, a master of such subtlety, last week managed to do so on the issue of support for a Triple E Senate. From his vantage point in Quebec, where he and his officials act in a legislative context with participants in the talks, Bouchard managed to give both the Ontario and Alberta delegates the impression that he was sympathetic to each of their conflicting positions.

New, with the focus likely to shift to a first minister's meeting—only at without Bouchard—the country's political leaders will find themselves on familiar but uncomfortable ground. The last time they met together, for the first, virtually unresolvable round of Quebec's negotiations in June 1990, their talks took place against a backdrop of ethnic-music concerns and a palpable rage that they could resolve their differences. But as these negotiations continued last week, some participants acknowledged that there is a growing perception among Canadians that the talks to settle to create problems that is private solution. As P.E.I. Premier Glen Clark said, "The people of Canada just want to get it done. That's the perception is unlikely to change."

ANTHONY WILSON-SMITH with NANCY WOOD in Toronto

In pursuit of evidence

Police actions may restrict media freedom

It was one of the most riveting scenes filmed in the three-day April riot that left Los Angeles in a state of anarchy and chaos. While a television crew crew hovered above them in a helicopter with its camera running, several black men pulled white truck driver Raymond Denny from his vehicle in the evening of April 30 and beat him savagely. According to David Glickman, a spokesman with the Los Angeles County district attorney's office, federal law enforcement agencies obtained the televised portions of that footage and used it to identify and press criminal charges against four men. And last week, federal grand juries were reviewing video TV news coverage of the riots to determine if charges should be laid against other individuals.

But in Toronto, where a similar riotously motivated riot occurred on May 4, police have announced that they hope to go even further: they plan to use search warrants to obtain both published and unpublished media film and photographs of the rioting in that city. According to both legal and media experts, the differences in the ways that police are conducting investigations in the two cities reflect the fact that the American press enjoys greater freedom and independence than the media in Canada. Indeed, executives with both the Los Angeles Times and KMTV, the city's cross-affiliated station, said that they are prepared to resist if law enforcement agencies try to obtain their news photographs as film footage. But in Toronto, newspaper and TV executives said that they would have no choice but to comply with a search warrant seeking unprocessed or unpublished material because of two recent Supreme Court rulings on searches involving the city's William Thorpe, editor-in-chief of the Toronto Globe and Mail. "The status of the press in the constitution is much stronger in the United States."

An editor or station manager has a low opinion when faced with a search warrant. Said Milne's lawyer Julian Parizeau: "Occasionally, a judge will say the police if there is any other place they can get the information. That's the only way the courts give the press, and it's not in this case. I can't see there is any argument for the press."

For newspaper and magazine readers, TV viewers and radio listeners, court interpretations of constitutional guarantees of press freedom have produced surprises. One thing, they could have a direct impact on whether

journalists can perform their jobs safely and effectively. Peter Delavan, dean of the graduate school of journalism at the University of Western Ontario in London, said that press freedom could be jeopardized if the police perceive journalists as part of the police investigative apparatus. He added that participants in demonstrations would be more inclined to attack journalists if they believed police had easy access to photographs or film footage.



A woman tries to stop a cameraman from filming her during the Toronto riot debate

In order to maintain their independence, representatives of several news organizations in Los Angeles said that they were prepared to fight any police attempts to obtain unpublished material. Glen Smith, an attorney with the Times said that the paper complied with a U.S. justice department subpoena by turning over three published photos. But, he added, the Times declined to comply with a second subpoena requesting all unpublished photos related to the riots, and the justice department has decided not to pursue the photos for the time being. In Canada, CBC TV has been to the Supreme Court twice on the same issue, but lost both times. The network's challenge against search warrants granted to the Montreal-Victoria Community Police in 1987 and to a sex abuse detachment in New Brunswick the following year. In both cases, CBC executives had feared demonstrations on the process of issuing damage to property. Police officers seized all the footage from

the incidents, although it was held in sealed envelopes until the court ruled last November that the search warrants were valid and that the network should surrender the material. The two rulings triggered a sharp debate among media executives and constitutional experts. Under the court's grand rules, the police must meet nine conditions, including compliance with the terms of the Criminal Code and the unavailability of alternative sources, before obtaining a search warrant. Thorpe said that the Globe would still challenge a search warrant if it had good cause of showing, in order to avoid a third television decision. Justice Carleton, who teaches constitutional law at Osgoode Hall Law School in Toronto, said that the lower rulings clearly put the interests of the police ahead of press freedom. "There is considerable hostility on

the part of the Canadian judiciary towards the press," said Carleton. "In the United States, the hostility is directed towards the state." But other experts maintain that the rulings do not restrict the media's freedom. Alan Sheff, a lawyer who represents The Toronto Star and The Financial Post and the search warrants, which can only be issued after an arrest, do not prevent media organizations from covering events or publishing their stories. "Freedom of the press relates to what you can publish," he said. "Nobody stopped anybody from covering the Toronto riot." Still, Sheff conceded that the rulings make it much easier for the police to obtain search warrants and allow very little latitude for media challenges. And many Toronto news executives shared that view as they waited last week for the police to serve with their search warrants.

BY ARCTIC JENSEN

It's been suggested that the 1990s will be marked by a fundamental shift in peoples' values. Instead of pursuing the more conspicuous symbols of status, people will prize shrewdness and the ability to spend money

wisely. If these predictions prove to be correct, then surely no car has ever been better suited for its time than the Lexus LS-400 luxury performance sedan.

For here is an automobile

designed and engineered from the ground up. Built by a company that sought out to surpass the world's legendary carmakers but to best them. To be equal was to fail. A new level of automobile was the goal, and nothing less than the relentless pursuit of perfection would make it possible. And, to make the task even more difficult, this automobile had to be offered at a better price as well.

Now, by just about any measure,

the LS-400 stands as a success. Upon introduction, Canada's toughest automotive critics named it Car of the Year. And within months, discerning owners had made the LS-400 the #1 selling import luxury sedan in its class, eclipsing all the European marques in the process.

All in all, the Lexus LS-400 offers a new level of performance, luxury and quality. What makes it so timely is that, priced in the \$63,000 range, it

represents a new level of value as well.

A personal inspection and test drive can be arranged by calling 1-800-26-LEXUS for the name of the dealer nearest you.

You would do well to consider it. After all, now that the 90s are here the timing is perfect.



LEXUS
The Relentless Pursuit Of Perfection.

At Thousands Less Than A Luxury European Marque, It Looks Like The 90s Aren't Going To Be So Bad After All.



Mad As Heck

AS THEIR FAITH IN
THE FUTURE ERODES,
CANADIANS ARE ANGRY
AS NEVER BEFORE



In her tiny apt-level home, amid two plants, books and cats, Lisa Krueger sits listlessly in the uncertainties—and insecurities—of the 1990s. The former office manager lives with her two children, John, 26, and Lisa, 20, in Kitsilano, a sprawling Vancouver neighborhood that evokes the tenacity of the Greek economy and the negative sentiments of aging hippies. Last year, after her employer died, Krueger, 38, lost her job. She now lives on income from her savings and her children's lodging payments. John is an unemployed *overeducated*, Lisa is an assistant supermarket manager. The three family members insist that they live contentedly with little money and low national expectations. "I do not need a lot of things," explains Lisa. But the wretched reality of lost property—and her simple belief that these times were never real. "We had a nice rainy day," she says. "People had blonde jobs. Everything was possible. Unfortunately, we screwed it up. The young people of today have it very differently."

Across the nation, Canadians share that troubling sense of faith in their economic future. There are few life-time jobs in the Canada of the 1990s. Retailer manufacturers such as auto-parts firms are scaling down or moving south. New jobs in fields like telecommunications require levels of skill that many Canadians lack. There is a sense across the nation that the economic rules are profoundly and permanently changing—and a fear that governments have neither the determination to help individuals nor the ability to protect them. In a startling reversal, Canadians have lost the sunny optimism that they shared since the end of the Second World War. Few now believe that their lives will become increasingly prosperous or that their children's wealth will surpass their own.

For many Canadians, that loss of economic faith represents a profound spiritual crisis. The recession has eroded their fundamental belief in the inevitability of economic progress, but there is no satisfying replacement for that secular faith. Canadians are resentful, anxious and cynical about their very way of life. In the political language, they are on the cusp of an enormous social change, struggling to accept their reduced prospects, or striving for new certainties and new dreams. Observes Allan Gregg, president of Toronto's Income Research and Medicine's politics: "It is a seismic sea change from the fairly predictable value system that has been intact for more than 40 years. The idea that 'progress is normal' has been the power of flow. Now, there is the realization that most values may not be achievable in the future. But there is no replacement effort. What comes through is borderless despair."

The immediate targets of that despair are politicians. Bored by skyrocketing debts and faced with mounting obligations, federal and provincial governments have raised taxes on breathtaking levels and reduced services. They have nearly exhausted their priorities. As a result, the debts have continued to increase—in story with public opinion. Many Canadians deeply share a sense that politicians lie the truth about the economy. The federal Conservative's painted rose pictures of the Canada-U.S. Free Trade Agreement during the 1988 federal election; they did not warn Canadians about the severity of economic adjustment when uncompetitive plants close or to the United States. In response, Canadians have developed an almost obsessive dislike for political leaders and a growing lack of faith in their ability to solve the nation's problems. As their tax bills mount, they seethe in silent revolt.

The despair and the wrath extend beyond disenchantment with politicians. As Confederation strains along its economic seams, politicians report that Canadians are questioning their basic institu-

tions. Once strongly secure, they now want a political system that manages to do more with less tax revenue. They want an economic system that trains workers for new jobs and keeps Canada competitive. Most importantly, they want to preserve their treasured social safety net; they do not want Canada to become the home of a growing, growing underclass. There are no easy answers for these often contradictory yearnings. Declares political Michael Adams, the president of Economics Research Group Ltd. of Toronto: "There is a questioning of the system itself—because people have an intuitive sense that it is not working. But there is no coherent vision of change. There is a pessimism that we can solve our problems. We live in angst and doubt. 'We have become a nation of Woody Allens.'"

STRUGGLING TO MAKE ENDS MEET

That national anxiety appears startling when Canada is compared with other countries. Two months ago, the United Nations' annual Human Development Report ranked Canada as the best country for its residents, based upon national income, life expectancy and educational attainment. In contrast to the United States, the gap between the rich and the poor in Canada did not widen throughout the 1980s, the so-called decade of greed. The proportion of families below the poverty line in Canada actually decreased to 13.1 per cent in 1990 from 13.2 per cent in 1980. The poorest fifth of the population increased its share of the national income.

But those findings are perhaps small comfort to Canadians live with a gap that is widening—the gap between their income expectations and their take-home pay. The evidence is clear: Statistics Canada reports that the after-tax income of the average family fell to \$41,434 in 1990 from \$44,367 in 1986—a drop of 2.2 per cent. It was the first time that occurred since 1963. Figures are not yet available for 1991, although the decline was likely steeper. As Canadians struggle to make ends meet, many economists say that they have detected a mass workman's trend: a fear that debt-ridden governments will no longer be able to fund the expected levels of old-age pensions and health care. As a result, says Canada's lack the confidence to open their wallets—and to fund an economic recovery.

The problems affect all Canadians, both recent immigrants and established families. Under the harsh fluorescent lights of an empty Ottawa home, Elm Adams leaves the Canadian dream. In 1984, the 27-year-old hardware find the lighting in Lebanon with a salary \$100 in his pocket. He worked hard. He brought his parents and his two brothers to Canada. His married a Canadian-born social worker from Sudbury. Out. Five months ago, he and his wife, Sherry, bought a house. But the recession has been tough for Michael. His salary is frozen. His mortgage payments are growing. His first child is due in December. Pined for money, he has reluctantly decided to sell his new house. "Compared with Lebanon, this country is great, a wonderful country," he says. "But I can't get the same money, and I don't want to see it going downhill. I am still getting the same money, but I am paying more for things now. I do not like to feel trapped, when my bills grow faster than my money." Adams did not suppose to be that way after the Second World War. Canadians aggressively borrowed ideas from other nations to develop a unique way of life. They adopted an American-style consumer society; they demanded the best goods at the best prices. But they also built a European-style social safety net; they relied on governments to protect people from the worst ravages of the free-

"There is a pessimism that we can solve our problems. We live in angst and doubt. We have become a nation of Woody Allens."

Politician Michael Adams



enterprise system. Ottawa introduced compulsory national unemployment insurance in 1940, adding pensions in 1961. In 1966, it added medicare, the Canada Pension Plan and income tax rebates for needy pensioners.

The postwar generation became accustomed to that comfort. Although the federal debt grew steadily from the mid-1970s, when more and more benefits were added to existing programs, Canadians ignored the implications: the economy could not sustain such rich levels of social services without expending more rapidly. A widespread belief persisted that there would be enough money to meet personal needs—and to fund universal social programs. Between temporary periods of austerity, governments failed that belief. With every federal election, all political parties vied to expand social services. As recently as 1988, even the left-leaning Liberal Conservatives promised a limited child-care program.

Meanwhile, access to social programs became viewed as an entitlement. Many unemployed people at Atlantic Canada's new searoom in unemployed insurance between seasonal business of employment. As Vancouver's Adams notes, "Essentially, in our lifetime, we have seen the bargain between the individual and the state get ever more expensive and expensive."

In the 1980s, conservative leaders who took office in Canada, the United States and elsewhere in the 1980s, that tax was too high. Canada's estimated 1982-1983 federal debt is \$447.3 billion. In response, Ottawa has paid its transfer payments to the provinces, which in turn have limited their transfers to main politics. The expense on the individual taxpayer has become painful. Provincial and federal taxes are valued up 19.8 per cent of average family income in 1990—up from 18.3 per cent in 1988. Vancouver's Fraser Institute estimates that government's share rose to 20 per cent last year. Even so, the marketplace does not effectively check government's appetite. Government-regulated prices, which range from direct payments to postsecondary school fees, grew an average of 9.6 per cent in 1991 from 1989, more than twice the increase in prices that are free from regulation.

THE GROWING TAX BURDEN

The tax burden has become unmanageable for many taxpayers. In the Montreal suburb of Dorval, hospital porter Patrick Supple, 55, is

selling his house—his grand asset from a lifetime of tough blue-collar work. Supple has two reasons for converting his gold-of-home into hard cash. For one thing, he fears that its value will diminish if Quebec secedes. The other, his property taxes have climbed to \$1,800 in 1992 from \$1,400 in 1983. Supple

Minister. Since the introduction of the tax, King has spent an extra three hours a week on paperwork, calculating the tax on everything from crock-ent-bill to coffee for their three employees. "Canadians are getting close to a blowup," he says. "I am reminding more what governments are getting." Seneca is equally distressed. "We have cut our expenses and we have worked harder—simply to stay in the same place," she says. "I feel like Alice in Wonderland, the Queen keeps shouting, 'Faster, faster!' I run—but I am not getting anywhere."

The two leaders have already promised a quiet revolt. Both claim that the underground economy has doubled to 30 per cent from 10 per cent of all economic activity since the GST's introduction in 1991. If so, Canadians are screaming across the border, spending an estimated \$5 billion each year in the United States, where prices and taxes are lower. If that money had been spent in Canada, economists estimate that it would have created at least 40,000 jobs. Declares Linda Dyer, president of Realtime Market Research Ltd. of Fredericton: "The tax revolt is underway. It's underground economy and house and cross-border shopping. People believe that these taxes are outrageous."

That revolt promises entry every aspect of daily life to the Montreal suburb of St-Basile, market clerk Louis Anselmi, 43, can see vivid evidence of below-the-counter transactions. A smoker, she pays \$46 for a carton of cigarettes, but smugglers sell the cartons for \$30. "It is like the black market," she says. "I go to the store. I see something costs \$600. If the owner knows you, he will let me pay for \$600 cash. No bill, no tax, no nothing. People do not want to pay that tax [the GST]. We all know we pay too much."

That anger makes a persuasive remedy about the future. The battle says are remarkable. When Decem Research pollsters showed a photograph of a smiling businessman to a focus group in 1991, most participants cynically decided that he was about to cheat on his taxes. A year later, in another focus group, the mood had become decidedly more pessimistic: the participants concluded that the more businessmen, despite his smile, was probably going to lose his job.

Polls reflect that pessimism. Last March, only 27 per cent of respondents told *Maclean's* that they expected to be better off in the next six months, 44 per cent said that their personal financial situation had actually worsened over



"If the kids are the future, and the future is education, what is it going to be like for them?"

Bedford, N.S., trucking-firm manager John Abrahamson with six-year-old daughter Corinna



the past six months. Those perceptions affect different generations in different ways. Many Canadians who are over 45 had relatively comfortable lives; they have worked hard to achieve security. But that older group also includes a large pocket of blue-collar workers whose pride, well-paying jobs may be disappearing forever. As Bellini says, "The underemployed 40-year-old who is not of work in reality isn't a serious social issue." That then are the baby boomers, ranging in age from 30 to 45. They have grown up with the expectation of ever-increasing prosperity; their happiness is rooted in their material well-being. Now, their jobs are disappearing and their dreams are eroding. The expectations of a lifetime are evaporating.

Finally, there is the new generation that is

under 30: pessimists. Canadians who already accept that their future is dim. Toronto's radio director Sean Bradley, 25, says that his economic outlook is "march worse" than his parents' prospects. Although he is concerned about Canada's economic problems, he has never worried—because he assumes that politicians are capable of solving those problems. "I find all politicians stupid," Bradley adds. "I have no faith in them. One party is the same in the next. There is no change."

The pessimists share that doubt for politicians. But they cannot agree on who or what should replace them. Politicians say that roughly one-third of Canadians yearn for a return to a vague Canada of the past, in which a white middle-class population was safe and financially secure. In contrast, about two-thirds of Cana-

dians would not be recognized as a distinct society because of Reform's social inequity of the provinces. Although such positions attract some Canadians, Reform appears to have stalled—its level in the Gallup poll has hovered between 31 and 34 per cent for more than a year. Paradoxically may be breaking control. Decem reports that 36 per cent of Canadians maintain that they would never vote for the party, up from six per cent in 1991. Says Gregg: "People are getting a reason to oppose Reform."

Still, politicians agree that few Canadians believe that a simple change of government will solve their problems. Nonetheless, they perceive that market forces have more effect on their lives than governments do. They also sense that Canada's problems are structural.

"Taxes go up every year. I do not ask for much. But I would like to go to a show once in a while, go to a ball game."

Montreal-area hospital porter Patrick Supple



not optional (and, more and more, they fear that the political system lacks the ability to respond to their needs in that changing world).

THE ERODING SAFETY NET

For many, the social safety net has become the focus of their lives—because Canadians rely on it and because they can see vivid signs of its erosion. Since the late 1980s, in a bid to correct its deficit, Ottawa has slashed increases in its social transfer payments to the provinces. These transfers sustain all public services in the seven "have-not" provinces (only Ontario, Alberta and British Columbia are defined as "have" provinces). Federal funds also cover the vast majority of the health and postsecondary education across the country.

The federal coffers are in dramatic shape: they were shortchanged \$8.35 billion in the 1991-1992 tax year. That shortfall is having a profound effect on the social safety net. Some provinces have increased services that were gutted by central cuts. Quebec, for one, has eliminated free eye examinations for adults between the ages of 18 and 40. Aida Thomas Coombes, director of the Queen's University school of policy studies, says "It's only the tip of the iceberg problem." As well, neither the provinces nor the federal government are becoming powerful about their contributions to others. Three months ago, Ontario Premier Bob Rae noted that his province is the source of 43 per cent of federal revenues, but that it receives only 30 per cent of federal spending. The federal government, in turn, says the University of Alberta economist Paul Booth "The social welfare system is being chipped away now because we cannot afford it. You no longer have a universal universal system across the country."

Canadians can see the vivid effect of cutbacks in their local communities—and it frightens them in Redford B.C., trucking-firm manager John Abraham, 38, says that he worries about the decline in educational standards. Last month, his six-year-old daughter, Carissa, heard that her school might be forced to cut gym classes because of a lack of funds. The youngster told Kool-Aid at a schoolyard stand and then presented her school with \$1.12 in pennies. "She did it all on her own," Abraham says. "Even a six-year-old, it's impressive. It's the kids are the future, and the future is looking as if it's going to be bleak for them."

Still, most Canadians accept the reality of claims that their governments are in financial difficulty. Two-thirds of Canadians told *Maclean's* in late 1990 that federal deficit reduction is "very important." As a result, most Canadians now say that governments cannot expand social services. But the threat—and the reality—of cutbacks have led to a disturbing debate over which services may be expendable, and which may be maintained at all costs.

Educational and medical services top the list of programs that most Canadians want to protect. Not only do they benefit from them, they can see the benefits from them. As Ottawa

child-care counselor Cheryl Owens, 43, and of education, "It just does not help young people today, they are nowhere. Every child has the right to have different skills given to them—and poor kids do not always have that right."

In medicine, Canadians are becoming increasingly ambivalent about the demands of the underclass. They resent many generous privileges: 72 per cent of respondents told *Maclean's* last fall that the richer provinces should share their wealth with the poorer provinces. But there are also signs that their generosity is becoming strained. Although as-

sumes cannot be ignored. In 1990, Atlantic Canada contributed \$415 million to the employment insurance fund, while its unemployment received \$2 billion in payments. Increasingly, critics ask if Ottawa should continue those payments, or assess that recipients misuse or abuse. Some analysts say that social welfare should be re-targeted to the victims of the 1980s—those whose jobs have forever been George's Gorge. "What happens to the people who get pushed? We need a different social safety net that deals with the adjustment period which we are going through."



"Welfare means increased taxation of those who work—and that destroys the work incentive."

Calgary oil engineer John Gray, 45



employment insurance and welfare payments have never been popular, they were at least affordable at the past. Now, more Canadians are drawing a line between the demands of the welfare state—and their growing tax bills.

In his Calgary office, engineer John Gray, 45, who works as a consultant to his family's firm in New Kingston, Sask. Self-reliance, he says, was a fact of life, students at his public school even did their own personal work. Gray, 45, now works as a consultant from his private, comfortable life for himself, his wife, Elaine, and their 17-year-old son, Cory. But he fears that Canada's generous social programs are harming the country. "There is no stigma anymore to unemployment insurance or welfare," he says. "There are too many on it. Welfare means increased taxation of those who work—and that destroys the work incentive."

Reforms of the social safety system will not be easy. For one thing, it is a political minefield that confuses politicians. But the financial pres-

sure, in the end, the 1990s may become known as the decade of transition. Unfortunately, few Canadians believe that their political leaders have the will or the skill to lead them into the future—and to make that future less uncertain. They want a more responsible government with a more efficient safety net. Instead, they fear that they will simply emerge with higher taxes, fewer benefits, reduced prospects, weaker governments and a growing underclass. As University of Toronto sociologist Raymond Burtin says, "In the postwar era, there was money to spare. You could give money to the poor and still have money for yourself. We have realized that this is not possible anymore. I see a period of transition, of trying to accommodate our values of sharing while maintaining our individual security and standard of living as much as possible." That is the tension—and the challenge—of the fearful 1990s.

MART JUNGAS

PURSuing A NOBLE CALLING

A WINNIPEG MP INSPIRES CONFIDENCE

The justice tried to the door officials claim that the constituency office is only open between 10 a.m. and 4 p.m. But for Dr. Ray Pagdikian, the former university professor and politician who gave up medicine to become the Liberal MP for Winnipeg North in the 1986 general election, it is a schedule rarely observed—either by himself or by his constituents. On a

recent Monday, the 37-year-old doctor met with people in his office until 7 p.m. The next morning, Pagdikian returned at 9:30 a.m. as voters began arriving to ask for help in solving out problems with an office supervisor and suspending federal bureaucracy. By 11 a.m., the day waiting room was full—and constituency business overran Pagdikian until 8 p.m. In Redford Pagdikian, during an interview last week in his private office, located in a strip mall. "There are many parallels with medicine in this work. You are dealing with people's problems and there are emergencies, and emergency cases just as there are in hospitals," he added. "If anything, this is perhaps a little better than the practice of medicine." Although many Canadians express dissatisfaction with politicians, Pagdikian is a reminder that some parliamentarians are prepared to make major personal sacrifices to serve their constituents.

Sacrifice: For one thing, Pagdikian says that his combined wife's salary and tax-free allowance of \$65,700 represents a \$10,000 out of the total income he used to earn as a professor of medicine at the University of Manitoba and as a medical practitioner. There have been other sacrifices in the past four years, Pagdikian, his wife Gloria and their four sons, aged 13 to 22, have moved only one family holiday—a week in St. Jerome, Wis. Pagdikian is sitting, Pagdikian spends the week in Ottawa, being home on Friday often, the family is together for only one weekend meal. Says Gloria Pagdikian, a part-time dietitian: "Pagdikian spent the night on Friday and that 30 or 40 minutes in the car to our private time together every week. He misses his. But Pagdikian, a former Winnipeg police

commissioner and school teacher, David O'Leary, the son who had represented the riding for the previous 28 years. Says the doctor, who sometimes goes to school here in his suit: "Philosophy leaves time to go to work. This is one way of saying that Pagdikian, who emigrated to Canada in 1966,



Pagdikian with constituent: "I believe the system works"

adds that being an MP is "a noble calling," one that he argues is taken "very seriously" by almost all of his fellow parliamentarians. As he told an open constituent session in his riding one evening last week: "There have been moments of frustration, but life on the Hill has been both exciting and challenging."

Although still a doctor MP, Pagdikian is now the Liberal's health and welfare critic and co-chairman of the Commons health and welfare

committee, which is now preparing a report on child abuse syndrome. He has also become a prominent critic of Employment and Immigration Minister Bernard Valcourt. Last May, during the open court for the admission of Canada's 20-year-old family member so that the family's mother, who lives in Italy, could attend the funeral. But Canadian officials in New Delhi denied the state's father's visa because they feared that she would remain in Canada. Declared Pagdikian in the Commons: "We allow the citizenship of a member to be heavily abused to Canada as an immigrant without delay—does that government have an interest?"

Belief: Following that plea, Valcourt's office issued a permit for the woman to enter Canada for the funeral—after she left for home again. Says Pagdikian, recalling the incident: "I believe the system works, but sometimes people have to have an advocate."

He currently has about 1,000 "active" constituents to contact to constituents' problems, with about four to six new cases every day. One of those is that of 66-year-old retired warehouse worker Michael Kosticky, whose spouse is Ukraine has been denied a visa by the Canadian Consulate in Kiev to visit Kosticky in Canada. After a 28-second meeting with Kosticky on May 26, Pagdikian agreed to write to the consulate—and to take the case with Valcourt's office if the latter yielded no results. "Maybe some news don't reach their eye, but I think that case," said Kosticky. "One decision is here."

Pagdikian clearly hopes that his efforts will produce another victory at the polls in a federal election that he expects next spring. Now, he may have a strong challenge from the west, which along with his profession, the Co-operative Commonwealth Federation, has led the riding for all but four years since 1945. Said a Conservative Manitoba senator who has been lo-

winging Pagdikian's career: "Ray's a well-meaning fellow, but he's not a fighter. I expect the seat to slide in three years." But at a time of deep-seated, deep cynicism about politicians, Pagdikian's devoted mission "to help those who need help most" may prove to be a prescription for electoral success—just what the doctor ordered.

GLENN ALLEN in Winnipeg

BEYOND THE FRINGE

PUBLIC DISCONTENT SWEEPS CONTINENTAL EUROPE

There Europeans have a word for it—*der Fremde*, or, in less poetic terms, *the outsider*—a pervasive sense of antagonism with politics, the economy and the country's uncertain place in the world. In Italy, it is called *malumore*, a chronic discontent with corruption, crime and crumbling public services. And in Germany, it is *Unmut*, or "bitterness" about just about everything. Whatever the language, the sentiment is the same. Across much of Europe, voters are nervous about the future, angry at politicians who seem unable to solve their problems, and startled by instability in their doorstep. And whatever the country, the target of the *Unmut* is the same: mainstream politicians who—like their counterparts throughout North America—stand accused of incompetence, corruption and hypocrisy.

The result has been a recent series of electoral setbacks for governing parties across continental Europe. But in its sharpest form, the widespread discontent with these in power has not benefited established opposition groups. Instead, voters in France, Italy and Germany have flocked to even younger members, to socialists, far-right and regionalist parties conceived by their disaffected constituents. Established politicians of both the left and the right: in a comment that could have been made by a German or British leader, former French prime minister Michel Rocard lamented recently that "the political corrupt is the only one who will win." "None of us will go into politics, and it's a good thing. It'll continue my life, it's because I'm not so young anymore."

Corruption: The causes of voter discontent vary from country to country. And there are national exceptions to the trend. In Britain, where the women take of constituency system makes it almost impossible for new protest parties to get a foothold in Parliament, the Conservatives managed to win a fourth straight victory in April, confirming their reputation as Europe's most consistently ruling party. But on most of the Continent, governing parties and coalitions are being humbled as voters express their disapproval with rising emigration, stagnant economies, political corruption and, in Germany, the haunting cost of post-Cold War reunification.



German neo-Nazis demonstrating in Dresden, staging violent attacks on foreigners

Beyond the discontent is a widespread sense that traditional political organizations have lost touch with voters, pursuing lofty objectives such as closer ties among the 12 member states of the European Community while ignoring grassroots fears of economic globalization and loss of local identity. As well, the collapse of the Soviet Union and the failure of Eastern Bloc communism have encouraged Europeans to look out of the established mold of politics based on left-right polarization. Many voters are taking their chances in splinter groups that speak directly to their frustrations—and give voice to their disillusionment with mainstream leaders. "People are no longer ready to allow the political class to decide things for them," said Gordon Smith, a specialist in European politics at the London School of Economics and Political Science. "In that sense, it's a healthy attitude."

In the April 5 Italian national election, voters clearly showed their displeasure with the traditional polarization between Christian Democrats and Communists. For decades, that stag-

nant rivalry has helped to maintain a balanced, corrupt-proof government system that Italian call *perilavorismo*, "rule by party." As a result, the Communists and Christian Democrats, such as their allies, lost ground but managed neo-fascists, whose sole candidate was former dictator Benito Mussolini's 29-year-old grandson, Alfredo, and, to the Northern League, which wants to split the country into three republics—north, south and center. The League led by disaffected young voters in Italy's prosperous north, who say that the country's political system is little more than a device used by corrupt politicians to funnel too much money to what they see as the rich, Mafia-ridden south. At pre-election rallies, League supporters chanted: "We part Rome coalition. The south remains!"

The rise of the League, and the evident rifts despite the old political system, have shaken the complacency of many mainstream politicians. On the eve of the vote, Gianni De Michelis, Italy's foreign minister, credited part of the change to the collapse of the old Com-

munist ideology. "Now, corruption and anti-communism have gone," he said. "So people express their real feelings, and there is a confused longing for change." Added Robert Loewend, a specialist in Italian politics at the London School of Economics: "People used to say 'Hold your nose and vote for the Christian Democrats.' Now people have alternatives, and they are not willing to hold their noses anymore."

Unsettled: In France, too, the political class is in trouble—a recent poll ranked politicians below prostitutes in their undesireability to society. The country's lawmakers are full of words with titles like *The Corrupt Republic*, *France's Breakdown* and *The French Anger*. They reflect the unpopularity of politicians from the traditional left and right and their apparent inability to come to grips with pressing problems such as rising unemployment and fears that the country is being reduced to an economic appendage of Germany. Last Brian Mulroney, President François Mitterrand often reminds voters that they enjoy one of the world's highest standards of living—but those protections have not substantially increased its popularity. Mitterrand's popularity has been at rock-bottom for months, and in recent regional elections his Socialist party won only 18.3 per cent of the vote, its worst showing in 33 years.

However, most disaffected French voters shunned the main conservative opposition parties. Instead, they registered their protest by supporting support for two Green parties and for Jean-Marie Le Pen, extreme-right National Front. Le Pen's party won 16 per cent of the vote on an openly anti-immigrant platform, causing a troubling shadow over the country's political life. Many analysts, however, suggest



Alessandra Arcuri's somber face

that Le Pen's strong showing may not be as worrying as it first appears. The National Front, they point out, has picked up considerable support in areas that went once overwhelmingly of the discredited Communist party—indicating that its voters were motivated less by ideology than by a desire to throw their noses at the political establishment.

GOING AGAINST THE GRAIN

This is, and U.S. President George Bush "is a strong and able man in politics." Devaling the presidential campaign year to 3,500 journalists, politicians and other guests at last month's annual White House Correspondents' Dinner in Washington, D.C., posed "A lot of name-calling out there, candidates calling out terrible epithets like corrupt, liar, hypocrite, fascist, racist—assholes!" His audience laughed politely. But for American politicians, there is nothing funny about having in such reduction in 1992. Aggravated by a shallow recession and losses at the polls of power expected by elected officials, many voters have concluded that the best rebuttal for public office is to not have served at all.

Running against the political establishment is far from a new tactic. But Jimmy Carter and Ronald Reagan were the presidency in part by portraying themselves as Washington outsiders. Similarly, in Canada,

Robert Peirce's Liberal Party has appeals to voters who believe that Ottawa has lost touch with their interests. But this year, American politicians are going to intentionally ignore the state of being perceived as political outsiders. Frank Wilton, an aide to the New York Democratic senate

and congressional committee vice-presidential nominee—Gordon Smith, says that he has not spent nearly twice as many years as a lawmaker as he spent as a politician. "In response, campaign staff for New York State Attorney General Robert Abrams, Peirce's principal primary opponent, describe their candidate as "an outsider, a Peirce 'Know how'."

But it is a blunder: Texas businessman Ross Perot who has benefited most from this year's outpouring of discontent with elected leaders. An ill-defined independent candidate for the presidency, Perot is now running ahead of both Bush and Democratic challenger William Clinton in most opinion polls. Perot's

But it is in Germany that rising support for the far right has caused the greatest degree of concern—because of its past. Nazi neo-Nazi skinhead groups have attracted the most publicity in recent months by staging violent attacks on non-white immigrants and refugees. And far-right groups have surprising support in Germany's recent state elections in Baden-Württemberg, the Republicans, whose platform included demands for a halt to immigration, won 13 per cent of the vote, compared with a mere one per cent in the last state election four years ago. Against Chancellor Helmut Kohl's ruling Christian Democratic party of a majority in Schleswig-Holstein, where the Social Democrats held power, they got ground to the extreme-right German People's Union, which won 8.3 per cent of votes and captured six seats in the 80-member state assembly—the first time its representatives have won seats in that chamber.

German voters have a history of complaints. A flood of immigrants that will likely reach 400,000 this year alone, higher taxes to help pay for the enormous cost of reuniting the country (about \$130 billion this year) and doubts about other European states that have not yet been fully admitted in public. And in France, they have heard that right-wing parties are a convenient vehicle for their anger. As a result, says Smith, the apparent swing to the right is not as threatening as pictures of militant neo-Nazis make it appear. "It's a backlash against the established parties and their policies," he says. That may mean that voters are worried about a new right-wing surge, but it offers little comfort to mainstream politicians anywhere.

ANDREW PHILLIPS in London



Perot: 'Know how'

"Why go through the hassle of running when support is so strong, and you're not getting anything out of it?" It is an unsettling warning to those outsiders who are promoting any outsiderism.

BRIAN WALLACE in Washington

To propel the new RX-7 from 0-60 mph in 4.9 seconds, it took more than pure power. It took a radical new design.

POWER IS KNOWLEDGE. One that weighs five hundred pounds less than its nearest competitor. That uses a unique, rotary engine with a sequential twin turbo to create more horsepower. And a Gleason Torsen® limited-slip differential, to keep all that power under rein. It's a design that took untold years of tireless research, innovation and commitment. So why did we go to all this trouble? Because you can gain a lot of knowledge in 4.9 seconds, knowledge that makes for better Mazdas.

Like every Mazda, the new 1993 RX-7 features a 3-year/60,000 km "whichever is longer" no deductible wear-and-tear and a 5-year/100,000 km major components warranty. Mazda's Accident Protection plans are available too. See Dealer for details.



mazda
IT JUST FEELS RIGHT



Funeral service for Falcone: "It was a defeat for everyone working for a moral and political renewal in Italy"

WORLD

A MAFIA HIT

He was a legendary anti-crime crusader, a macho national hero who became a vocal promoter of the underworld he sought to destroy. He was one of the most protected men in all of Italy, constantly surrounded by a phalanx of machine-gun-carrying bodyguards, and he trekked under the highest security to a specially designed \$300,000 armor-plated Fiat. Even his bathroom was shielded by bulletproof glass. But Giovanni Falcone remained steadfast about the possibility that one day he might be the target of vengeance-seeking mob assassins. "The truth is not to be afraid," said the soft-spoken Sicilian judge after he spearheaded the investigation of the Mafia that in 1987 led to hundreds of convictions in Italy's so-called

THE KILLING OF AN ANTI-MAFIA JUDGE SPARKS PUBLIC OUTRAGE AGAINST THE UNDERWORLD

mass-trial. And in 1989, after escaping death when a security agent spotted a bag of explosives planted behind rocks at his seaside villa near the Sicilian capital of Palermo, Falcone bravely acknowledged that he faced constant danger. "For the Mafia" he said then, "it is just a question of the right moment." On the afternoon of May 23, just five days when the mild-mannered Falcone celebrated his 53rd birthday, that moment arrived.

As the anti-Mafia investigator's fiancée rode a motorcycle traveled along Italy's coastal A29 highway leading into Palermo, a one-ton remote-control bomb, planted in a storm drain that ran under the roadway, exploded. The massive blast created a crater 30 feet deep, killing Falcone, his wife, Rosina Morvillo, and

three police escorts. And although the timing of the brutal attack could not have been better for Falcone's many Mafia enemies, the murder of the man who, more than anyone else, had come to symbolize Italy's institutional fight against organized crime struck the nation when it was clearly most vulnerable.

Already facing political peril in the wake of controversial April elections that led to the resignation of the Christian Democratic Party-led coalition government, Italy, at the time, the murder, was marred with world constitutional crisis since the Second World War. The country had no head of state, no prime minister and no effective government. The 18 negotiating parties in parliament had held 15 times to elect a new president, and the first attempt to do so in the national legislature on May 13 led to a deadlock between rival performance.

As well, a growing number of politicians stood accused of corruption. In the southern industrial center of Milan, more than 40 current and former city councilors were awaiting trial on a massive kickback scandal. And Falcone's murder further shook public confidence in the ability of political leaders to deal with Italy's worsening crime. "The assassination was an indisputable victory over the state and its laws," said Pino Arlacchi, the country's leading Mafia expert. "It was a defeat for everyone working for a moral and political renewal in Italy."

Falcone's state funeral in Palermo last week turned into an angry protest against Italian officials. Relatives of the victims demanded justice as the day-long coffin were carried into the Basilica of San Domenico and a huge crowd outside jeered "liars," "shame" and "Mafia!" at the political leaders who attended.

Propelled in part by the public outrage over Falcone's death, Italy's splintered parliament finally relented around a compromise coalition. Oscar Luigi Scalfaro, electing him the republic's ninth president. And as the 73-year-old Scalfaro, a lifetime Christian Democrat, was sworn in for a seven-year term as Italy's head of state, he urged politicians to resist the temptation to order and to deliver the country from corruption. "To get involved in politics, it is not to be enough to have a clean criminal record—one's designs must be transparent," said Scalfaro. The new president's first task will be to console party leaders to see if any of them are one step enough removed to form a government. But Scalfaro must also oversee a badly shaken nation that the state can contain organized crime. Said outgoing Interior Minister Vasco

Scotti as he pleaded for more powers to regain authority over areas of the south now under Mafia control. "There is only one word for what we face in the Mafia issue—war." There is abundant evidence in Italy of links between the Mafia—known there as the Cosa Nostra—and several local politicians, many of whom have been accused of involving themselves in public works projects to underwrite losses. Last week, Sicilian authorities suspended the entire lower council of Cagari, the Palermo suburb where Falcone was killed. They accused the council, dominated by Christian Democrats, of being under Mafia control. And the Cosa Nostra is not the only organized crime network operating in Italy's southern regions. Among others, the 'Ndrangheta in Calabria, the Calabro around Naples and the Sacra Corona in Puglia. For years, many leading Italian businessmen, including Fiat's Gianni Agnelli and Olivetti's Carlo De Benedetti, have joined in the shoring up of organized crime as one of three great challenges facing Italy. The country's sinking economy, its mounting fiscal deficit, and the need for structural reform.

Many experts agree that, despite Falcone's high-profile pursuit of Mafia figures, the Sicilian underworld's power has grown considerably in the past five years. Falcone's investigation did lead to the conviction of 338 of 512 defendants accused of belonging to the criminal empire in 1987 and death a severe, short-term blow to the Mafia. But a new generation of underworld criminals quickly replaced them. And money from drug trafficking has been reinvested in legitimate businesses, such as Italy and beyond its borders.

A recent study by the Confcommercio association, a Rome-based trade organization, reported that on average, 60 per cent of Italy's shops, bars and restaurants pay extortion money in organized crime—and the smaller approaches 100 per cent. And the Mafia stronghold of Palermo. The study also estimated that organized crime earns \$27 billion a year in extortion money alone. Last report co-author Patricia Vassero. "Traders are afraid of paying the mobsters to police because they fear reprisals against them or their customers."

Falcone's assassination put the suffering of relatives in two deadly last week. At the end of the funeral march the victims of the attack on Falcone, Emma Costa, the 23-year-old widow of Vito Scifino, one of the slain bodyguards, cried out in a public display of grief. "I was at the wedding of a friend, it was a great day, it was a day I can forgive them." Then she shrieked, "You must get on your knees, if you have the courage to change," before adding, in a sad testament to organized crime's iron grip, "but they never change."

SCOTT STEELER with CHARLES ANASTAS in Palermo

World Notes

SANCTIONS AGAINST SERBIA

Amid escalating ethnic violence in Bosnia, the European Community bowed two-way trade worth \$275 million per month with Serbia and Montenegro, the only remaining republic in war-torn Yugoslavia. Later, the UN Security Council approved a sweeping package of banking sanctions against Serbia, including an oil and trade embargo.

CHARGING FAKER

Three former U.S. spy-bag agents told a new conference that published photographs and X-rays from President John F. Kennedy's 1963 autopsy had been tampered with. The organizer of the news conference, conspiracy theorist Richard Howard Livingstone, claims that the FBI has mislabeled a "fidelity artifact" by several agencies, adding that autopsy evidence was labeled to "trick" investigators into accepting the single-guns theory that fueled the conclusions of the official Warren Report. Kennedy's death. Two pathologists who performed the autopsy recently announced that their findings support the Warren Report.

BAD BLOOD

The French government awarded place to replace animals and food banks following the infection of thousands of people with AIDS-contaminated blood during transfusions.

FROM THE LAB TO THE TABLE

Under a new White House policy, the Food and Drug Administration will allow biotechnology companies to market genetically altered food. Genetic engineering can reduce the flavor and increase shelf life of fruit, vegetables and grains.

A GUILTY VERDICT

A jury in White Plains, N.Y., near Manhattan, convicted 28-year-old Carolyn Wadman of second-degree murder in the 1980 shooting death of her lover's wife. The case was often compared to the mafia to the people's revenge. Fatah Attar, which a woman becomes obsessed with a married lover.

FAMILY FELLO

Brazil's congress appointed a commission to investigate the death of President Figueiredo Colares de Mello had received millions of dollars in kickbacks from businessmen. Colares' younger brother, Pedro, who also claimed that his brother had forced him to take cocaine, made the charges in the media. He later mentioned, saying that he had no proof of any kickbacks.

Nuclear time bombs

Six years after Chernobyl, Europe still lives in fear of unsafe Soviet reactors

A cryptic quote by Vladimir Lenin adorns the main entrance of the Leningradskaya power station, a massive 16-year-old nuclear plant that generates much of the electricity used by St. Petersburg, 90 km to the west. "The power of the electron is as unlimited as the power of the atom," the slogan reads. Lenin, who died in 1924, might have been reflecting on the potential use of the forces lurking within the elements. But that promise has trembled in step along with the Communist state that he founded. Indeed, the Leningradskaya station has come to symbolize the danger that Soviet nuclear energy policies now pose to people on both sides of the old man's borders. The station is equipped with four huge graphite-tube reactors known as RBMKs—the same flawed model that exploded on April 26, 1986, at Chernobyl, Ukraine. Indeed, on March 28, a mechanical failure in one of the Leningradskaya units sent a small cloud of radioactive gas drifting towards neighboring Finland. Once again, a pointed reminder of a Soviet nuclear threat caught the world's attention. And late last month, officials from Canada and an other leading industrial countries acknowledged that they are preparing a massive aid program to improve the safety of Soviet nuclear reactors scattered across the old

coldest legislators have once died.

Shortly before Canadian Foreign Minister Jean Ipp visited Chernobyl last week, a joint U.S.-Russian medical study conducted another official Soviet lie on the world's worst nuclear accident—that only about 100 inhabitants of the surrounding area had suffered large doses of radiation. Vladimir Lupatkin, a Russian physician who interviewed former residents and health-care workers in heavily contaminated regions, has concluded that up to 26,000 people received massive and potentially fatal doses of radiation. Said Lupatkin: "The number of people exposed may be hundreds, perhaps thousands, of times greater than previously thought."

Clearly, the Chernobyl accident and the danger posed by nuclear reactors from part of the collapsed world's most poisonous legacy. For four decades, Soviet nuclear scientists and technicians helped develop the country's military and industrial strength by building atomic weapons and nuclear-fueled ships and spacecraft, as well as power plants. But its members of the old union's small but influential environmental movement stress, those national programs frequently proceeded with little regard for operational safety—or for the health and environmental effects of radioactive nuclear waste disposal.

Soviet Soviet ecologists have also criticized the West for its overriding obsession with only one aspect of the Kremlin's nuclear threat: its vast arsenal of atomic weapons. Said Alexei Yablonsky, a widely known environmentalist who now advises Russian President Boris Yeltsin: "It is not possible to use nuclear to deliver Soviet power stations to other countries. But in reality, they are just as dangerous as our nuclear weapons."

Bavaria, Europe is acutely aware of that danger because Moscow imposed its flawed nuclear technology on its satellite states. As a result, Austria has expressed its concern about the continued operation of two 440-megawatt reactors near the German-Austrian city of Brensdorf. According to the Austrians, these 36-year-old reactors, known as VVER-440 models, are among the most dangerous of the Soviet nuclear experts because they lack any means of containing radioactive emissions. Germany, meanwhile, promptly closed down five similar water-cooled reactors in the formerly Communist east after reconstruction two years ago. German officials then shipped sections of the dismantled reactors to Belgium. They did so on a stopgap effort to patch up another two VVER units at a shockingly random power station there that German experts have described as a bomb waiting to go off.

Certainly, that fallout from Chernobyl drifted across international borders. It was largely Soviet citizens who suffered the consequences of the shortcuts, sloppy procedures and design defects that plagued their country's



nuclear programs as it sought to keep pace with its Western rivals. Initially, the Kremlin then ruled by reformer Mikhail Gorbachev, even tried to conceal the Chernobyl disaster as a brief accident in a remote corner. And Soviet authorities would not admit before they abruptly acknowledged that a much-worried nuclear accident had in fact occurred in the Urals in 1957. That explosion of a nuclear waste storage tank dumped 70 tons of radioactive material over an area of about 600 square miles, prompting the evacuation of 10,000 residents from the worst-hit zone.

Other horrifying tales of nuclear mismanagement have emerged from once secret files during the past two years. Last month alone, Russian officials confirmed that Soviet secret vessels and workers had routinely dumped radioactive waste in environmentally sensitive Arctic waters for 30 years. According to Andrei Zolotarev, a nuclear specialist in Murensk, the home port for Soviet nuclear-powered submarines that was founded and used 1962.

Indeed, Zolotarev, a former Supreme Soviet deputy, has charged that the shallow waters near a Soviet nuclear test site in the Novaya Zemlya ("New land") plants contain the remains of at least 12 shipborne nuclear reactors and contaminated parts of several submarines. Zolotarev admits that three of the discarded reactors came from the V. I. Lenin, the world's first nuclear-powered icebreaker. Scientists from Russia, Norway and four other countries plan to test these drums in July when they launch a month-long expedition to locate numerous dumping sites that threaten the rich fishing grounds of the Barents and Kara seas.

Even Moscow has suffered from a widespread disregard for safety precautions. There are no major nuclear power plants near the city, but local officials acknowledge that they have complete records of all dump sites where local research institutes deposited radioactive waste. And there are no records of reports of nuclear waste turning up in buildings anywhere. In 1990, city inspectors found radioactive metal in asphalt laid down in central Moscow's Gorky Park—one of the city's most popular recreation spots. In similar fashion, Babel Factory No. 15 has become a controversial address to a northwest district of the city. The reason: although radiation inspection found traces of nuclear waste on the construction site, state safety officials pressed ahead with the building after removing the contaminated material, and the factory began production earlier this year.

Despite the shaky record of the old regime, the knowing of the Soviet empire has only heightened the risk of a nuclear meltdown. In Moscow, officials of the former Soviet, now Russian, ministry of atomic energy readily acknowledge a dramatic weakening of central control over the 45 reactors—guaranteeing 12.7 per cent of the old union's electrical power—that still operate within the former U.S.S.R. For one thing, the Chernobyl power plant,



Chernobyl reactor after five (right) seven-year-old leukemia patient from Chernobyl region in St. Petersburg: poisonous legacy



Children receiving chemotherapy for cancer in St. Petersburg in April (top) leukemia patients born on an epidemic who was at Chernobyl may more victims

with two operating RBMK reactors, is now under the jurisdiction of independent Ukraine. Another two Chernobyl-type reactors operate in independent Lithuania. But the industry and the increasingly advanced mass plants share a common problem: struggling to operate a complex technological system at the midst of a flourishing economy. Still, industry spokesman Vladimir Lashenko, a key spokesman of the Chernobyl cleanup, says "We find it difficult to buy spare parts and we lack fuel. Prices are soaring and waste plant workers get only part of their salaries because there is a physical shortage of rubles."

Frictions between former Soviet republics has also heightened nuclear risks. In Armenia, public protests over two reactors that were built at an earthquake zone near the republic's capital of Yerevan eventually forced their closure in 1989. But the small southern republic has come close to



specily declared war with neighboring Azerbaijan over the site of Nagorno-Karabakh, an Armenian enclave (but lies wholly within Azerbaijan). In response, Azerbaijan has imposed a crippling fuel blockade and pinched off supplies of natural gas and oil bound for Armenia. Now, as an increasingly desperate search for ways out of a two-pronged energy crisis, the Armenian government is seriously considering restarting the mothballed reactors.

John Lange, a British consultant who has closely examined RBMK reactors, has reached the same conclusion as many of his colleagues: they should be closed down. Said Lange, who visited Moscow recently to provide members of the local Government branch with technical data, "You cannot make RBMKs safer by simply bolting on Western technology, as the basic design is inherently unstable." For one thing, Lange diagnoses a high-pressure system that pumps water heated to about 300°C through vertical tubes. An RBMK reactor has a network of 1,000 such channels, each encasing a concrete fuel rod. And he adds that in the prospect of pipes becoming clogged that lack strengthened concrete domes to contain radioactive emissions. Said Lange, "The hot water would quickly turn to steam and, in even a small rupture, boom, there goes the reactor lid."

A small-scale version of that nuclear nightmare occurred near St. Petersburg in March, when a regulatory valve failed and contaminated steam escaped into the atmosphere. While radioactive levels rose to 60 micro-röntgen per hour in the reactor hall—three times higher than the normal reading—the event registered as a Level 2 incident on the

ascending seven-point scale developed by the International Atomic Energy Agency. The Chernobyl eruption, by contrast, topped the agency's chart. In any event, foreign-aided technicians responded quickly and the safety system performed as designed.

Even so, the inadvertent release of a small radioactive cloud that drifted over the neighboring Gulf of Finland was among proof of the on-again risk posed by Soviet-made reactors. Since January, 1991, in fact, at least 100 accidents have been avoided at five of the six low-level mishaps that have occurred in nuclear power plants built by the former Soviet Union. There were no outward signs of panic in St. Petersburg when officials at the Leningradskaya station quickly released information about the alarming incident to the general public. But even in Moscow, 700 km to the southeast, there was a palpable sense of tension.

Atomic services
of the Chernobyl
Museum on the
outskirts of
Moscow in April
highlighting tales
of nuclear man-
agement have
emerged from
once secret files

when radio broadcasts initially reported that winds were blowing the radioactive gases towards the capital city.

In an unsettling aftermath to that episode, Soviet nuclear industry officials acknowledged that a succession of 16,000 new valves are needed to prevent similar problems from occurring at other RBMK reactors. But in yet another dimension of the problems affecting the old union's electric energy, only one factory now manufactures the valves. As a result, even the most sophisticated plant operators predict that it will be at least six months before adequate new supplies are available.

During a one-week visit in Moscow and Ukraine, Canada's top nuclear regulators and Chernobyl power stations and even led the first Soviet emergency valves that are in short supply. And after prolonged exposure to technical data about Soviet nuclear problems, they said that a single crash of Chernobyl's reactor based on his economy the stillled items found in Papat, the Canadian nuclear industry might really reap considerable benefits from the massive outbreak that Soviet-type reactors require. But last week, they pointed to the loss to the human race exemplified by a missing ingredient: "Canada was really to be envied and not superior," he told Malcom's, because "the world cannot afford a second Chernobyl." Presenting such a scenario, in Ukraine, Russia and elsewhere, has clearly become a worldwide responsibility.

MALCOLM GRAY in St. Petersburg

PEOPLE

After a Masse market

With her chirpy pop tunes and perky pool pool cheer, Julie Masse has become the darling of the Quebec music industry. The singer's first album, *Julie Masse*, released last year, has sold 180,000 copies—in Quebec alone. And advance sales of \$6,000 for the follow-up, *A contre jour* (Against the Light), indicate that Masse may be



Masse: "I want to make people feel good"

described by superlatives. The 24-year-old Moncton, who sings only in French, says that she wants to break out into the lucrative U.S. market but has no plans to become a bilingual artist. And while the acknowledgments that there is pressure for successful Québécois musicians to sing in their native tongue, Masse says that "even the stage singers, the politicians are left behind." She added, "I just want to make people feel good with my music."

The dark side of a boy next door

Actor Danny Bonadura is best known for his portrayal of Danny Pettingill, the posh, beleaguered son of the 1970s sitcom *The Partridge Family*. But recently, Bonadura regained prominence after a spree of drug use that

resulted in his 1990 arrest for attempting to buy cocaine, as well as a subsequent conviction for assaulting a transsexual prostitute in Florida. Now 32, Bonadura says that he has cleaned up his act. Currently on a stand-up comedy tour of Canada, he has a popular radio show in Philadelphia.

Bonadura: "crazy in life"



On the night beat

With-born actor Gerald Wyr Davies, 26, has no complaints about working the graveyard shift. As the star of *Romeo Knight*, a hit-and-run 10-p.m. television series now filming in Toronto, Wyr Davies plays Nick Knight, a 700-year-old vampire who works for the Toronto police department as a homicide detective. Fitzgibbon, real constants of the night need not risk exposure to daylight to catch Wyr Davies' character in action. CBS is broadcasting the show just before midnight on Tuesday evenings.

Wyr Davies: a cop with a secret

SHIFTING INTO HIGH GEAR

It was a case of seconds, and fractions of a second, at last week's Indianapolis 500 car race. After starting in last position, Scott Goodyear of Newmarket, Ont., finished half a car length behind winner Al Unser Jr.—by a scant 0.043 seconds, the closest finish in the race's 75-year history. Although it was the last result ever attained by a Canadian driver at the venerable event, Goodyear, 32, his placing was sweet sorrow. Said the teeny-eyed driver: "I thought I'd be the only guy pulling into the pits asking for a clause."

Lyrical victory

When Vancouver-based singer-songwriters Fred Allmy and Judy Harcourt heard about the Commonwealth Canada contest to write a song for Canada's 1998 birthday, Harcourt says, "we started on a whim, as it had of surprised us to see the \$10,000." Their composition, *Letter to the Land*, attracted more than 600 submissions, and will be released next in English and French as mid-June with an accompanying video. And although the lyrics are being kept a secret, Harcourt told Maclean's that the song promotes unity in the country. She added, "We want it to bring people together."



Harcourt (left), Allmy, songwriters

dolphin and a successful two-year marriage to Gershon Bonadura, 26. But Danny Bonadura says that he is still haunted by his worst past, as was the case at Canada's Cactus in Toronto. "The lady punched up my police record on the computer and it hurt me. Because," he told Maclean's, "I have made errors in judgment in my life."

He's Used To Changing People's Oil, But Lately He's Been Changing Their Minds.

As an apprentice mechanic, Paul Massey was fresh out of school looking down life's highway and a million miles from the big bucks he hoped to find.

That's when he bought his first Hyundai, the as yet unproven Excel.

Now as a mechanic, Paul gets to see and know a lot more about cars than most people. And Paul will be the first one to tell you that his Excel turned out to be one heck of a great car.

Years of trouble-free motoring later, Paul's decided to stick with a good thing.

And just last week took possession of his sporty new 16-valve, double overhead camshaft Hyundai Elantra.

Now when he drives back and forth to work he feels good knowing that the only cars he will have to fix will be other people's.

But he also has to admit that Elantra's roomy Euro-styled interior and 4-wheel independent suspension, make him feel pretty good too.

So the next time you pull into Paul's shop, you can expect to get more than your oil changed, especially if you've never driven a Hyundai.



1992 Elantra GLS

Elantra GL. From \$10,995.*

The Sporty Family Sedan. Front wheel drive. 1.6 liter DOHC 16-valve engine with intake/exhaust electronic fuel injection delivering 133 horsepower. Standard GLS features also include: power steering, power brakes, power windows, Michelin high performance radial tires (P185/60 HR-14), child seat anchor & child safety seat door locks, 4-speaker fold down rear seat, ETR/AM/FM cassette with 4 speakers. All Hyundai models are covered by our bumper-to-bumper Limited 3-yr/60,000KM or 5-yr/100,000KM.

Major Component warranty. See dealer for complete details.

*MSRP. 1992 Elantra GL, excluding freight, taxes, PDI and accessories. See dealer for freight and PDI charges. Dealer may sell for less.



Where The Smart Money Goes.



Canary Wharf: sunset for an empire

BUSINESS

LAST FLIGHT OF A CANARY

It was the end of a magnificent dream. Executives of Toronto-based Olympia & York Developments Ltd. announced last week that Canary Wharf, the company's grand project in the formerly desolate London docklands, was bankrupt. Just hours earlier, they had failed to convince a group of 11 international lenders to accept equity in the troubled project in return for an additional \$3.4 billion in loans that would have allowed O&Y to complete the development. And even as O&Y executives, looking grim and haggard, met with reporters in the opulent ground-floor meeting hall of One Canada Place, the central

THE REICHMANNS ARE ONLY THE MOST VISIBLE VICTIMS OF A FREE-FALL IN PROPERTY VALUES

building of the project, construction workers outside began to pick up their tools. At the same time, on the 38th floor, accountants from Ernst & Young, who will supervise Canary Wharf's operations over the next several weeks and determine whether to sell off parts of the 15-building complex, began to squark their heavy black briefcases. In the face of the setbacks, Robert (Steve) Miller, a financial adviser retained by O&Y's owners, the Reichmann family of Toronto, struck a brave note. "We don't know who the owners will eventually be," Miller told reporters, "but the buildings are not going to fall over."

The buildings remain, but the same is far from certain for the future of O&Y. As reports of Canary Wharf's fate spread, the Toronto-based company's Canadian lawyers scrambled to preserve their plans to restructure its debt in this country. O&Y has been under court protection from its creditors in Canada since May 14. But some lenders have fought back against a court order restraining them from seizing O&Y properties in exchange for unpaid debts. Last week, the firm's lawyers returned to court in an attempt to reassure creditors that the salvage ransom would be paid. In Canada, the company's assets are valued at \$1.4 billion.

In fact, of the company's ventures in Canada, Britain and the United States, only its American assets remained free of court protection by week's end. Despite that, O&Y lawyers David

my, most analysts predicted that O&Y's fall into insolvency could be contained. Said George Hain of CIBC Canada, an economic consultancy based in Toronto: "There could be some second-round psychological impact on a consumer confidence but, at this point, O&Y is just another thing for the system to write down and digest." The collapse, added Ernest Stoken, director of research for the Toronto-based Bank Group of economists, "disturbs [that] as one in ultimately amounts from the [economic] cycle. It is a dramatic warning, but it's not the end of civilization as we know it."

Other critics, however, said that the free-fall in commercial property values could bubble the economies of several major cities, as well as in San Francisco and London, for years to come. Canada's banks, meanwhile, began last week to publicly reveal the gaping holes in their profits by the need to write down billions of dollars' worth of loans to O&Y and other property developers.

Arguing against the worst-case assessment of the collapse is a historical analogy between the boom-and-bust cycle of commercial property development and the cycle of prosperity in the economy as a whole. Overbuilding of com-

mercial and industrial space, which in the late 1980s contributed to the high vacancy rates and low rents that have since crippled O&Y, tends to occur late in the general economic cycle. At the same time, it is only after an economic recovery is well under way that new tenants fill the excess space built up during the previous boom. After surplus is absorbed, renewed demand for additional office and retail space leads developers to undertake new construction.

Against the backdrop of these historical patterns, some analysts said that the decrease in commercial property values would have little impact on the timing of a wider economic recovery. Said one Montreal-based bank economist: "Lower construction activity certainly slows economic growth, but it's not a highlight of recovery. It doesn't affect the real blood and guts of an economy like manufacturing."

Still, the overflow of unoccupied office and retail space in many North American cities will prevent new construction from contributing to economic activity in the years ahead at anything close to the 1980s pace that fueled the property boom during the 1980s. Other analysts reasoned that, however, noting that the office-building boom of that decade may have been a unique occurrence. In one report, economist Sally Gordon of New York City-based Citicorp noted that in the post-decade, the North American economy underwent a "fundamental structural shift towards greater service activity, a shift accompanied by exceptional growth in service employment."

That shift, Gordon added, required enormous additions to new office stock of both commercial and residential space. But she cautioned that the one-time spike towards a service economy was "not replicable," even in the event of a widespread economic recovery. As a result, she held out scant hope for a return to the construction boom of the late 1980s.

Despite the gloom, O&Y executives in charge of Canary Wharf continued to express optimism that they will be able to back the economy cycle and have new investors to the project. "There is an opportunity for new investors," declared Miller, adding: "It is when the property market is most depressed that you can make the best deals. I think the prices will be much off the book." In fact, O&Y has been seeking investment partners for Canary Wharf almost for three months. By last week, the list of those who were reported to be in the game will be much off the book. In fact, O&Y has been seeking investment partners for Canary Wharf almost for three months. By last week, the list of those who were reported to be in the game will be much off the book.

Investors included Hong Kong billionaire and financier Li Ka-shing (who also owns the former site of Ego 88 in Vancouver) and the Singapore government's investment office. Predictably, much of the attention was focused on L1, 65, who has reportedly expressed interest in Reichmann properties in the past and avoided

Business Notes

A POSITIVE SIGN

Statistics Canada reported that the nation's economy expanded by 0.3 per cent in March, a stronger growth than many private economists had predicted over the third consecutive monthly increase. But Philip Green, the agency's director of current analysis, said that it is too early to declare an end to the recession that began in April, 1990. He noted that unemployment is still rising.

PICKNEY LOOMERS

Pickens & Phipps, Edmonton and several other cities in Western Canada said that they are investigating complaints about counterfeited \$1 coins. The coins, more than 1,500 in total, discovered as far as the mid-1980s, have sharper edges than genuine coins and the pictures engraved on both sides are blurry in the design.

SHIPPING SALE APPROVED

After several days of heated negotiations, Quebec's huge public service pension fund, the Caisse de dépôt et placement du Québec, approved the \$175-million sale of 167 Stovick's supermarkets as the province to three rival grocery chains. The Caisse loaned Montreal businessman Michel Gauthier's Secor Inc. most of the money it needed to buy Stovick's Inc. in 1989. But as part of last week's deal, Gauthier agreed to forfeit \$1 million of compensation that Secor was to receive from the sale.

FARM WARFARE

Ontario paid a record \$1.1 billion in subsidies to farmers during the first three months of 1992, Statistics Canada reported—more than double the \$443 million paid in the first three months last year. But grain farmers still face the prospect of falling incomes this year because of a continuing international wheat price war. As well, exports to Russia have slowed to a trickle because of Moscow's hard-currency shortage and a widespread shortage of aggru mules in Russia's Far Eastern ports.

A BITTER TASTE

Labatt Breweries of Canada Ltd. president John Morgan resigned suddenly after less than two years on the job, apparently because of disagreements with Sidney Galt, president of Labatt's parent company, John Labatt Ltd. As well, Labatt Breweries filed a lawsuit against rival Molson Breweries in an effort to stop Molson's current "La Croyette" contest promotion—a parody of Labatt's "La" advertising campaign for a new discount-sized brand of beer.

Paul Reichmann: a dream

one of the family's New York holdings last fall.

But Milow and his colleagues faced an uphill battle on at least two fronts as they attempted to establish the value of Canary Wharf as an investment, not only as the first skyscraper in a pentecostal slump, but also because vacancy rates in London are stuck at a stubbornly high level of 38 per cent; 11 per cent shows the rate during the 1970s real estate slump in that city.

Meanwhile, the 11 banks in the consortium of Canary Wharf leaders have agreed to provide \$457 with only \$21.7 million to complete construction of the project—a task for which the consortium had been planning for some time and endorsement to financing. The reduction of limited risk cost doubt on the developers' ability to complete work that must be done before several key corporate tenants, including American Express and Texaco Inc., move into Canary Wharf beginning this month. Meanwhile, Canary Wharf's operations, at a daily cost of about \$2 million, are now in the hands of administrators appointed by the British High Court. In addition to determining the project's creditors, its assets—new and prospective—and any potential new investors, the administrators must negotiate with the British government over the \$670-million contribution required of the company for the planned subway extension connecting Canary Wharf to central London. Without that extension, most experts said last week, it was unlikely that the development would be able to attract the large number of office tenants, including possibly 2,000 civil servants, away from competing locations closer to the traditional financial district at the heart of the London corporate capital, known as the City.

At the same time, analysts discounted anecdotal forecasts that Canary Wharf's bankruptcy would undermine property values there. The London's depressed real estate sector instead, they noted that the market has already absorbed much of the setback. But, Guy Renshaw, a London-based real estate consultant, said that Canary Wharf's fortunes might actually improve under bankruptcy administrators. Said Renshaw, "Canary Wharf assets are in a much better position as a competitor to the City than as a supporter of the City, and try to offer a low-cost, attractive alternative." Still, he cautioned that at current costs, Canary Wharf is worth between \$1.3 billion and \$1.5 billion—considerably less than the \$2.4 billion

DOMESTIC DEBT

How much \$457 owe Canada's six biggest banks (in millions)



*Data as of 1991 period ended June 1991

lost by the consortium of banks.

In Canada, meanwhile, the city's major domestic creditors also took stock of the devaluation of commercial real estate values. The result was guardedly optimistic. Although several banks last week reported that they had classified hundreds of millions of dollars' worth of real estate as nonperforming, even those write-downs did not entirely wipe out bank profits during the first quarter of this year.

Only the Canadian Imperial Bank of Commerce (CIBC), which elected to write down \$1.5 billion on loans including \$880 million to CANAD, posted a loss, of \$144 million, in the second quarter of this year. Other banks that disclosed their first-half results last week, the Royal Bank of Canada, the Bank of Montreal and the National Bank of Canada, reported profits. Said Steven Kresler, a financial services analyst with Mutual Whyness Inc. of Toronto: "The banks were to be pitied. But it's not really a crisis of confidence. Canadian banks' exposure to CAN and their disastrous loans to developing countries is the only 1980s investment analysts noted that the banks' loans to the overseas totalled only about \$3 billion—compared with \$24.5 billion lent to the Third World. As well, they noted that most of the bank's loans to CAN are well secured with collateral, where few of the loans to developing countries were secured by assets that the

banks could seize in the event of a default.

Concerns about a wholesale credit squeeze by the banks have also dissipated somewhat. Although credit has tightened generally through the recession, much of the bank's credit has been directed at auto-related identified problem areas as real estate. In other fields, analysts say, the banks remain well positioned to provide the corporate loans required to fuel economic recovery. Said Kresler: "It's true that there is absolutely an appetite for real estate debt among the banks. But that was the case before CAN." To obtain bank lending for a commercial project now, industry sources say that a developer must have equity of about 75 per cent and few leasing commitments for as much as 90 per cent of the proposed space, plus companies with strong credit ratings.

One area that the company's bankruptcy clearly threatens is municipal government. With the growing risk of business failures and building vacancies over the past two years, municipalities are already experiencing a decline in the payment of commercial property taxes. In one case, John Woods, deputy treasurer for the City of Toronto, where CAN owns seven buildings, said that the company's financial woes are "of enormous concern" to that city. Property and business taxes make up \$143 million of Toronto's annual \$548-million budget. Woods noted, however, that CAN is not in default on its taxes and it has not approached the city with any proposals to defer payments. He added: "It is the city's practice that, if a company can't pay its taxes, we sue, so we accept my reasonable payment plan."

CAN has already taken advantage of a similar flexibility on the part of municipal authorities in New York. The company's 15 office towers in that city had so far been exempt from the city's bankruptcy filing in Canada and Britain. Still, the company has disclosed about \$2.2 billion of the \$7.2 billion that it owes in loans secured by its New York assets. And in an attempt to reorganize its finances, CAN recently assumed a senior secured bond of \$14 million in property claims, instead of providing the amount in a lump sum at the end of June. CAN is allowed to pay an immediate penalty and spread other payments over six months.

In London, say similar concerns now would come late for the Bank of Montreal to preserve their grasp on the city's real estate, but they would have to pay more, their most highly prized development. Still, just as the original Canary Wharf trading card survived the bankruptcy of its owners of the century developer, both the senior new buildings in central London and the city's commercial property on both sides of the Atlantic seemed likely to weather the failure of history's most ambitious private builders.

DEBORAH MURKIN with
ANDREW PHILLIPS in London



New York newsstand: the city's largest tabloid has lost money for years

A bite of the Big Apple

Conrad Black eyes the New York Daily News

Ever since the Floating Tivoli, the New York Daily News set the pace for tabloid journalism in North America. In 1928, it said a reporter with a camera strapped to his waist to cover the construction of a condemned tenement and published the first pictures. Later, the paper has been famous for running a regular column, aptly titled "Gimp Land," covering the affairs of New York City's shaming underworld. This spring, the News reported the conviction of Mafia kingpin John Gotti on murder and racketeering charges under the chesty headline "Gonfalone"—an allusion to street-fight wordplay gone wild called GimpLand. All that would seem to make the paper as suitably target for the sceptical contacts of Conrad Black, Canada's media and archly conservative media boss. Still, Black's agents are meeting with the paper's owners and creditors to discuss details of a rescue bid for the bankrupt 78-year-old newspaper.

Black, who already owns 102 daily and 199 weekly papers, is outnumbered at the prospect of buying a publication that was described when it first appeared in 1919 as "a paper for

moons," he says with a grin. Indeed, referring to the collapse of his media empire, the Daily Telegraph of London, a broadsheet sized of Britain's most respectable middle class, Black once described its success as being based on a formula that includes "virtuous breeding to the Royal Family" and "presenting Britain's greatest writers, most admired and most scandalous news of apparent sobriety but with the most explicit, almost obscene detail." As for the Daily News, he told *Newsweek*: "It's not the paper I normally read when I am in New York, but it is an entertaining paper that is an accurate reflection of an important part of New York's personality."

For decades, the News prospered by following an editorial formula that was even more outrageous than the *Trumpeter*. In 1947, when it had 4.3 million readers a day, it boasted the largest circulation of any newspaper in the United States. But in the past decade, falling advertising and high labor costs turned it into a money loser. During a bitter five-month strike in 1990, circulation slipped downward to fewer than 400,000 readers from 1.1 million by March, 1991, prospects for the newspaper

appeared bleak that its longtime owner, the Chicago Tribune, actually paid British media tycoon Robert Maxwell \$79 million to take the paper off its hands.

Just eight months later, however, the barely over-60 Maxwell fell from his yacht off the Canary Islands and drowned. His death set off revelations of widespread financial mismanagement within his companies. As for the Daily News, even though its circulation had recovered to about 600,000 readers, it continued to lose money and, in January, sought bankruptcy protection.

Since then, it has been for sale. Now it is facing a court-appointed June 28 deadline to present its creditors with a debt-repayment plan. In addition to Black, two other potential buyers have expressed an interest: one is Montreal publisher Pierre Plamondon, whose *Journal de Montreal* was the first tabloid in Canada. The other Ontario-based Plamondon is Black, in Montreal is Mortimer Zuckerman, the New York-based publisher of *U.S. News and World Report*.

Black, however, is considered to be the leading bidder. Last week, officials from his holding company, Hollinger Inc., met representatives of the Daily News' unions and creditors in New York to discuss the conditions the Black bid would demand as a condition for buying the paper—and declared themselves satisfied with the deal struck. "They did not make me feel depressed at all," said Hollinger president David Radley. "No rock came flying through the window."

The search for consensus from labor is an echo of Black's tactics in earlier acquisitions. In 1986, when he acquired a 50-per cent stake in



Left: search for investors

Investment analysts noted that the banks' loans to the overseas totalled only about \$3 billion—compared with \$24.5 billion lent to the Third World. As well, they noted that most of the bank's loans to CAN are well secured with collateral, where few of the loans to developing countries were secured by assets that the

The Telegraph for \$56 million. Black quickly laced off with Fleet Street's notoriously cantankerous unions, demanding as well to contracts that extended widespread overstaffing. By offering a combination of lower wages, longer working hours and severance packages of up to \$100,000 to employees willing to leave, he cut the number of printing jobs at the paper to 679 from 1,637. That resulted in an annual saving of \$56 million and set the newspaper as the most cost-effective newspaper in the world. Last year, Hollinger took advantage of another bankruptcy to pick up a 10-percent stake in John Fairfax Holdings Ltd., which owns several of Australia's leading newspapers. "I said Black: 'When you buy from the winners, the shareholders are always as cheaply motivated!'"

At the *Daily News*, the possibility that Black may soon occupy the owner's seat has been greeted with reserve. Hollinger has proposed a new business plan that would cut the number of employees by about one-third from the current level of 2,000. Black estimates the cost of his bid, including severance packages and payments to unions, at between \$100 million and \$400 million. He is also prepared to eventually spend as much as \$300 million on new printing presses.

Negotiations with the unions and creditors began in earnest this week. By his part, George Meitlis, chairman of the United Printing Trades Council, which represents most of the 18 unions who have members at the

Daily News, concedes that some employees will lose their jobs.

But however disastrous employees might find the prospect of job cuts, they may have little choice about accepting Black's proposals.



Black: seeing no interest in a costly bidding war

The paper remains in deep difficulty. Although gross figures in advertising revenues are not available, all New York newspapers have been severely hit by the continuing recession among the city's readers. "The whole New

York market has been hurt," said Hollinger president Rader. "The *News* lost its biggest advertiser when Alexander's [a New York department store] closed four weeks ago."

But the paper still has more readers than either of the city's other tabloids, the *New York Herald* and *Newsday*. Only the *New York Times*, with a daily circulation of 1.1 million nationwide, surpasses it. Said Rader: "In most of the great newspaper franchises in North America, it is one of the great cities of the world."

Wolfsberg and Zuckerman share that assessment. Neither is an active negotiator with the paper's creditors, but Wolfsberg is expected to have talks with potential bidders, perhaps this week. Zuckerman, who had been close to buying the paper before Maxwell acquired it in 1991, is also in contact with the lenders. But Black rejects the suggestion that he might step up as an auctioneer for the *News*. "It's not an exciting offer," he said. "We're not going to close it very far, because we never opened for anything."

Still, Black appears eager to try his hand at steering the tabloid. "It is not the media with which I'm most comfortable," Black acknowledged last week. "I don't have a big problem with that sort of *Archie* *Buster* New Yorker. They are part of the backbone of America."

Indeed, at long last it may make sense for Hollinger, as some *News* insiders say.

BRENDA BALLENGER

REBEL WITH A GLOBAL VISION

Mass Zaxxon, president of Toronto's independent CITY-TV and Canada's first prime-time cable channel, Markham, and Manager Plus, spokesman for an on-air role—full of references to the "fatherly" and "love" of his station's programming.

At his first press conference, he was pelleted by Toronto's *Star* and *Post* with headlines such as "Zaxxon's new strategy of international expansion" and "Bar while Black is a pillar of the establishment in the city." Zaxxon, 49, clearly seems to be as much as an industry rebel.

Zaxxon's "an archetype"

equal partners in the vision. Zaxxon would be a minor shareholder, but he would serve as the channel's chief executive. Several formidable rivals are also bidding for the license, including the Entertainment Channel, a consortium backed by U.S.-based Time Warner

and, but for a little British television channel, serving more than 20 million viewers in 15 countries' popularity. If the bid succeeds, the broadcaster plans to replicate his Canadian success in Britain, declared Zaxxon: "This city is the most in an archetype."

In fact, Zaxxon, Zaxxon's work is a real victory. Zaxxon is the only person to lead the high-powered television network, which was founded by Zaxxon. He provides its signal to satellite viewers around the world and has sold several of the shows abroad. It has no overseas subsidiaries and although Zaxxon has spent more than a year preparing his bid, his three partners are providing the interim service for the channel, which could cost \$200 million to launch. If there had no successful, the three companies plan to be equal partners in the vision. Zaxxon would be a minor shareholder, but he would serve as the channel's chief executive. Several formidable rivals are also bidding for the license, including the Entertainment Channel, a consortium backed by U.S.-based Time Warner

and, but for a little British television channel, serving more than 20 million viewers in 15 countries' popularity. If the bid succeeds, the broadcaster plans to replicate his Canadian success in Britain, declared Zaxxon: "This city is the most in an archetype."

In fact, Zaxxon, Zaxxon's work is a real victory. Zaxxon is the only person to lead the high-powered television network, which was founded by Zaxxon. He provides its signal to satellite viewers around the world and has sold several of the shows abroad. It has no overseas subsidiaries and although Zaxxon has spent more than a year preparing his bid, his three partners are providing the interim service for the channel, which could cost \$200 million to launch. If there had no successful, the three companies plan to be equal partners in the vision. Zaxxon would be a minor shareholder, but he would serve as the channel's chief executive. Several formidable rivals are also bidding for the license, including the Entertainment Channel, a consortium backed by U.S.-based Time Warner

JOHN DALL

BUSINESS WATCH



Counting the toll at the Royal Bank

BY PETER C. NEWMAN

The international investment banker, who was asked in an interview recently whether he suffered from sleepless nights trying to follow the troubles at Olympia & York, replied that, in fact, he slept like a baby. When the interviewers expressed his "deflated" mood, Newman smiled and said, "Yeah, just like a baby I wake up screaming every three hours."

As further details of the Rockchambers' fall from grace become public, more and more bankers are "deflating the balloons." The bank's net loss has been \$1.1 billion, mostly accounted for by the collapse of the Canadian Imperial Bank of Commerce, who sent week after week its law office to find that his predecessor, Donald Falconer, had left behind \$680 million in O&Y loans. The resultant write-down of suspect borrowings caused a \$480 million loss in the CIBC's second quarter. It's just the beginning of the pain some of the banks will feel for helping their credit facilities to find Rockchambers' grudge-driven donors.

Alan Taylor, chairman of the Royal Bank, Canada's largest and most powerful financial institution, has also been forced to classify \$510 million out of the \$780 million or so his bank lent to the Rockchambers as nonperforming loans. But, repeating second-quarter earnings last week, Taylor painted a healthy picture for the Royal's operations in a world, with rumors as much as O&Y, per cent for the first six months of the current fiscal year (compared with 0.72 per cent the previous year), and returns on equity at 13.1 per cent, down from 15.2 per cent for the same period a year ago. He also announced that the Royal is setting aside another \$300 million to provide for possible domestic loan losses, mostly to protect against the possible bankruptcy of Olympia & York. In total, Canadian banks have at least \$3 billion in outstanding loans to the collapsing Rockchambers empire, but much of that liability could be recovered if its assets are seized and sold.

"As far as I'm concerned," Taylor told me in

'You have to accept the fact that we're not completely irresponsible, that we weren't making loans against nothing'

a recent Toronto interview, "the newspapers have been constantly wrong on the information they've put out on O&Y. They've been engaged in incremental fact-finding, publishing their guesses on loan exposures and exposing the bankers to past their time. It's the responsibility of the media to get things right, while not responsibility as to any shareholders and the customers who have deposits with us. They certainly don't have the feeling that this large bank of ours is going to blow apart because of the Rockchambers situation. Nothing could be further from the truth. We have no solvency problem, there is nothing, absolutely nothing, life-threatening to us in the O&Y matter."

Taylor is angry with critics who claim that he and his fellow bankers lent the Rockchambers money without first examining their balance sheets. "We have to accept the fact that we're not completely responsible," says he. "But we weren't making loans against nothing. The media have painted a picture of bankers as precisely being stupid. There has been a great injustice done in portraying us as lending against the Rockchambers name, the implication that we did it just because it seemed to be an innocent credit line made confidence in that given no credit to the people who own banks, not to

investors the superintendents of financial institutions and our two banking firms."

Currently there has been a tremendous meltdown in real estate values," he continues, "but the assets haven't disappeared and nothing has been stolen. The Rockchambers did very valuable things in a variety of companies and have big real estate holdings."

Taylor disputes the generally accepted view that the banks didn't get to suspect the Rockchambers family loans until after their troubles started, pointing out that the O&Y empire had many components, and that the banks were satisfied that there seemed to be enough security at each one to support the loans it received. The collateral for every loan, he says, was the building on which the debt was placed. He cautions that dissemination of bad real estate will continue for some time, and insists that there will continue to be long-term lenders among the ranks of the Rockchambers empire.

Despite his pessimistic medium-term views on the future of urban real estate, Taylor is fully behind on the Canadian economy. "The economy has become a major part of this way of an expansion," he says. "For 1995, we're predicting 1.4 to 1.6 percent gross domestic product increase, with a fourth-quarter uptick, on an annualized basis, of four to 4.5 per cent and 4.3 per cent growth for 1995."

The Royal Bank chairman predicts that housing starts will lead the way, with increased automobile sales to follow. A leading voice in the struggle for national unity, he is optimistic on the outcome of the constitutional talks, even though the deadlines are closing in fast.

Agreement on the Constitution would give the economy a kick-start by removing a block of uncertainty," he says. "Canadian consumers aren't going to start spending on a large scale until they feel secure in their jobs and see more capital investment being made so that employers have good spending their payrolls again."

Taylor has become increasingly concerned about provincial government spending, especially to reach an aggregate deficit of \$30 billion this fiscal year, compared with only \$2.7 billion two years ago. "I'm disappointed by the last two federal budgets," he says. "We missed this fiscal year's deficit target because of the recession, but it's due to drop to \$27 billion by next March, and \$1.5 billion by 1996-1997. That would do a great deal to live up governments so they can do the things that really help people. The politicians are going to have to expand their budgets and deficits, should be copying the Ottawa mistakes, so should the municipalities, so that we all move in harmony towards reducing spending."

The past week that Taylor told me about Canadian bankers, "while being the chief rate setter here around their chairman's throne, he is almost to defend the act of having taken short-term risk for long-term gain. 'Banking,' he says, "almost by definition involves risk-taking."

That can be dangerous in these days of chronic real estate problems. But who wants to sleep like a baby anyway?



WEATHER

El Niño's angry year

Warm Pacific waters batter the global climate

By June, the southern Alberta countryside near Medicine Hat is usually green with the new wheat crop. But this year, the ground is brown, and dust devils are dancing across the parched soil. The area has not had any significant rain since last July, and Deane Collins, 47, who operates a 2,400-acre grain farm just west of the city, says that if the rains do not come soon, "we'll not burn up." Around the globe is central and southern Africa, wild animals are dying by the thousands and many villagers are threatened with starvation in the midst of one of the worst droughts ever in the region. But despite the distance that separates Alberta and Africa, scientists see a similar major cause for both droughts: El Niño, a mysterious weather phenomenon that originates in the currents of the Pacific Ocean and plays havoc with climate systems around the world. "El Niño causes flooding, mudslides and drought," said Toronto-based climatologist Canada meteorologist Anne Shablin. "It economic damage, it causes billions of dollars in damage."

The disruption this year is already living up to that description. Over the winter, California, which had been stricken by drought a record winter was hit with rain that raised water levels in reservoirs but also triggered deadly mudslides. As well, in March, normally dry Texas was awash in floodwaters, washing out

rivers and stranding drivers in their cars. But even in those areas that have not been hit, vast tracts of normally fertile Africa, most of the Sahel in South Africa, were ravaged by devastating drought, threatening as many as 20 million people with starvation. Said Mark Cane, senior scientist at Columbia University's Lamont-Doherty Geological Observatory near New York City. "We think that it could last for another six months." The name El Niño, the Christ child in Spanish, comes from the tendency of the phenomenon to appear in December, near the birthday of Christ. Originally, the name applied only to a massive surge of warm water that appears every five or six years off the coast of South America. But now scientists also use El Niño as a term for all of the planet-wide disruptions known to be associated with that current. Meteorologists have traced the reappearance of the phenomenon through fishermen's records to the early 1700s. For centuries, fishermen in Peru and Ecuador have noted that as warm December temperatures in the normally frigid waters off the coast of South America ebbed dramatically, but it was not until the early 1980s that scientists began to link El Niño to massive flooding and drought around the world. Said Cane: "It is probably the most powerful weather event we have."

While the origins of El Niño remain a mystery, scientists know that it appears when the

Drought in South Africa starvation

trade winds, which normally blow west away from the coast of South America, weaken and collapse. Paulo Lopes, a Peruvian meteorologist who is studying El Niño at the National Oceanic and Atmospheric Administration in Silver Spring, Md., said that when the giant weather cell that spans the Pacific from Australia to South America shifts, a surge of warm water moves eastward towards the coast of Peru and Ecuador. That sudden reversal, combined with heat rising off the warmer water, interrupts the normal flow of the jet stream, a meandering high-altitude air current that has a strong effect on world climate. During an El Niño, Shablin said, the jet stream appears to split in two over the North Pacific, one branch heading further north than usual over the High Arctic and the other cutting across the southern United States.

As a result, heavy rains fall where they are not expected and devastating droughts scorch other regions. In Canada this year, the diversion of the jet stream has caused a high-pressure system to stall above the Rocky Mountains, preventing low-pressure, water-bearing systems from moving inland from the Pacific. "It has parched them since early last December," said Bruce Peard, a climatologist with Environment Canada in Toronto. As a result, a vast area of Western Canada from the southern tip of the Yukon to the southern Prairies has received only one-quarter to a half as much precipitation as usual.

Scientists at a number of U.S. universities are trying to develop computer models that would allow meteorologists to predict the arrival of El Niño. Meteorologists, however, like Collins can only wait for the unpredictable El Niño current to run its course in the South Pacific, and hope for normal weather patterns to return.

TOM FENNEL

SPORTS

Palace revolt

Owners attack NHL president John Ziegler

During the first game of the Stanley Cup final series in Pittsburgh last week, a hockey fight in Canada's newspapers spotted John Ziegler in the crowd. The National Hockey League president was sitting on an aisle seat, it doesn't seem wrong to say from the hallway action below, surrounded by about two dozen on-ice players. By comparison, Ziegler looked plain, and although he later told reporters that he was not involved in the game, the image projected on nationwide television was of a chief executive with more than a hockey game on his mind. Little wonder: despite efforts by Ziegler and the league to avert the subject, reports had swirled that the 56-year-old Detroit lawyer's tenure atop the NHL was under review. And from many quarters, both inside and outside the league, the reviews were not good.

But a report struggling to build a broader U.S. audience, the controversy over whether Ziegler would keep his job could not come at a worse time. The Stanley Cup final, which superstar Mario Lemieux led through Pittsburgh's victory in the first two games of the best-of-seven series against the gritty Chicago Blackhawks, would have been grilling at the back of a certainly bored audience in Chicago, the third-largest market in the United States, and Pittsburgh, which has been hockey-endemic since the Penguins won the cup last year. But just as an April player strike derailed the season's six interest-bid by the highly



Lemieux celebrating a goal: a vintage performance

usually with the media going "huh."

Ziegler's current case dates back to the 1984 player strike. According to published reports, a group of disgruntled team owners mentioned that Ziegler talked them into going up too much to the players to settle the strike. As a result, they want to get rid of the president and his estimated annual base salary of

\$500,000 before the June league meetings in Montreal, the reports say. Other owners openly faulted Ziegler for allowing negotiations to deteriorate to the breaking point. But Arthur Griffin, non-chairman and governor of the Vancouver Canucks, credited Ziegler with keeping talks alive when it seemed a long strike was inevitable. Said Griffin: "A deal was made and the owners agreed to it."

The negotiations did not end with the strike. Chalmers complains that Ziegler rarely gives interviews and seldom attends games. And during the 1986 playoffs, when the league went looking for him to rule on a disciplinary problem, he turned out to be busy on personal business and no one knew how to contact him. Critics also held Ziegler responsible for giving up a U.S. broadcasting deal with ABC, a United, Canada-based network then connected to 47 million households, in favor of an arrangement with SportsChannel America, a Westbury, N.Y.-based cable network then available in fewer than 10 million homes. But SportsChannel America paid \$15 million more for the rights to show more games per week than ESPN.

Those who look at the final series open last week were treated to a vintage performance by Lemieux, the Montreal-born superstar to Wayne Gretzky as the league's best player. The speedster, Swiss-chose straggled off Chicago's check checking and scored two goals in each of Pittsburgh's two victories to open the series. And when Lemieux was in check, Chicago led on lead with baby-faced forward Jari Kurri, a 20-year-old Czech whose spectacular game-winning goal in Game 1 left teammates groaning for negativity. The Blackhawks, nevertheless, got their revenge in Game 2, when stars, Jeremy Roenick and Steve Larmer, and returned to Chicago to fuel hopes for a comeback in the fortunes of Michael Jordan and his Chicago Bulls in the National Basketball Association playoffs.

In the end, the biggest threat to Ziegler's job may be the changing times. The league is projecting a \$50-million loss in 1990-1991, and

Ziegler's influence on the board is not as strong as it once was. He will be sitting down with Bill Wirtz, the most powerful team owner on the board, and also Eagleman, the league's head of the players' association. But Wirtz is angling down this summer as board chairman, and Eagleman lost control of the players' association in 1984. In a changing hockey world, Ziegler may simply be the old man.

JAMES DEACON

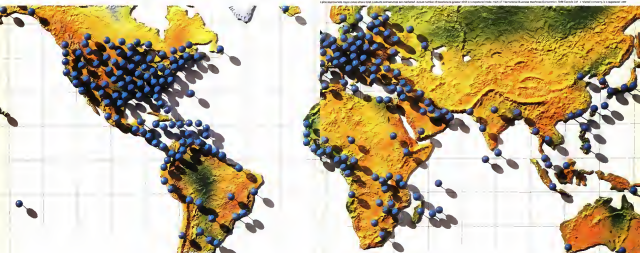


Montreal Canadian coach Pat Burns ended his series of increased recent coaching by replacing and took in a city short on hockey fans. Although he seemed that he had the best job in hockey, the biggest or perhaps most with previous experience, showing his chief experience, William Wirtz, who is in charge of the city's hockey, is to take in a city short on hockey fans. Although he seemed that he had the best job in hockey, the biggest or perhaps most with previous experience, showing his chief experience, William Wirtz, who is in charge of the city's hockey, is to take in a city short on hockey fans.

SPORTS WATCH



Thinking globally?



What you need today is international business machine.

Somewhat the word "foreign" seems foreign these days. The world is smaller, so people are thinking bigger, beyond borders.

Yet cultures will always be different, and that's the paradox of international business—the need to be global and local at the same time.

At IBM we're old hands at it, and much of what we've learned can really help you.

Being local. We do business in over 130 countries, and our offices are staffed and run by local people. IBM Brazil is Brazilian, IBM Italy is Italian. So they understand not just your technical needs but your marketplace and, most likely, your industry.

Which can help you avoid costly (and sometimes embarrassing) mistakes.

Also, our local facilities manufacture—and customize—for local markets. So your software in silicon speaks Chinese, and your cash drawers in metal have a special place for loonies.

Being global. Of course, your global operations aren't islands; you have to manage the whole, and I'll help you do it. Our branches may be local, but we're all on the same team, and we'll support you a consistent way no matter where you go.

For example, Bata Industries Limited participates in our Selected International Accounts Program.

It helps them bridge cultural, legal and technical differences by providing a single point of contact that aligns IBM's worldwide presence with theirs.

We can also help you communicate, whether you have your own global network or hook into ours.

Canadian Pacific Forest Products Limited has found that the IBM Information Network makes it easier to connect for electronic mail, EDI and more. You can even pay for IBM in one currency.

To learn more, contact your IBM Marketing Representative or call 1-800-465-1234 to be directed to an appropriate Marketing Representative for your needs.



Hearing the fat lady's music

BY TRENT FRATNEY

On a match point, crouched at the net, John McEnroe lunged frantically for the high ball, the peak of his large white baseball cap and his outstretched arms grating the back of a startled line judge sitting into the ball. The ball bounced off the rim of his racket and the most controversial player (perhaps in all of tennis history) became history himself.

Yes, John McEnroe is over. He is 33 years old, his fring black hair has thinned to a widow's peak in front and is emerging bald spot on top. His magazine's needs with drop shots and half-volleys from the baseline has grown spindly, the misses causing him to sink his chin to his chest and stride into a position, eyes downcast, shaking his head in disbelief or even disgust.

That high shot on match point served last week in the opening round of the current French Open. It is not the first time in recent years that John McEnroe has faded from view in the opening round, but on other occasions he has repeated the losses as alternations. But this time it appears that he, too, has heard the fat lady's music. For he and other that most recent setback: "I think realistically my time has passed and it is time for other people. When you feel you have no chance of winning, I don't see the point of playing."

And so when his current commitments end this year, John will stop bothering people at tournaments. It was a poignant moment when this complex man spoke up last week. For some reason I thought of Wayne Gretzky, maybe because this was the sort of moment that rarely will arrive on a night when Wayne makes all of his wizard-like moves net. They don't find some young player young defender who looks like him to the side, takes the puck and starts off with it, speeding the other way. It will be like this not once but many times, and afterwards, on the night not now too far off, Wayne will say with a soft light as those soulful blue eyes of his that maybe the time has come to go home to Janet and the kids.

A lifetime passes in mere moments for the

McEnroe's magician's touch with delicate drop shots has grown sporadic, the misses causing him to sink his chin to his chest

heroes of sports. One moment, eagle bats such as the 21-year-old Swede, Nicklas Kulti, who put down McEnroe last week at four long sets, are emerging from the wings, and the next moment they're faded from view, as McEnroe is now fading, and this whole new era has come surging into the spotlight, names scarcely known in the 1990s dawning—Jim Courier, Pete Sampras, Michael Chang, Andre Agassi, Michael Stich, Goran Ivanišević.

McEnroe's moment has endured for 18 years, since 1972, when it began at the U.S. Open at Wimbledon. By coincidence, in 1972 I went out to be witness to his departure from court stage, I was also there when first he stepped from the wings, a wild-haired, slung ball of 18 wearing a red bandana across his forehead and a sword swing to become world-renowned. Curiously, the tallest that always goes to mind as all young Mike surging onto a black London tennis and pulling away from the Glenaville Hotel. Haggle narrow face was visible as he turned to peer through the back window.

He had become an overnight headliner at Wimbledon that summer. He'd won three rounds of qualifying matches to get into the main draw, and then he'd charged round after round through it, into every headline. Steady

Mayer in the fourth round, Australia's Paul Dent in the quarter-finals.

He was hardly less loath back then than he would be later. After his quarter-final win over Dent, the scribbles wrote to know if he was surprised to be facing Jimmy Connors, the reigning U.S. Open champion, in the semifinal.

"Freak," Mike said deadpan. "I'd probably ask him for his autograph."

A couple of days later Connors put him away, led by then McEnroe was on his way. Beginning in 1980, he charged into five straight finals at the Wimbledon show, winning three of them, and meantime collecting four U.S. Open championships.

Through all of this he was one enormous pain in the neck, among other stadiumed acts, landing wavy tennis balls all over the court, threatening net judges, snarling at fans, swearing at umpires, berating ball boys, loudly questioning every close call, even being suspended for two months of the tournament for and fined \$17,500 following the 1987 U.S. Open for misconduct and verbal abuse. Last week, going out in style, the unrepentant fellow was fired again, this time for snarling at referee photographs.

Through all these years he would not shut up. He talked was mostly mischievous and often with satirical wit, he displayed much humanity and sweetness than most athletes, and he could turn on someone down if the mood was on him. But on the court he was invariably bawling and peevish and profane and altogether a guy it was mighty hard to stomach.

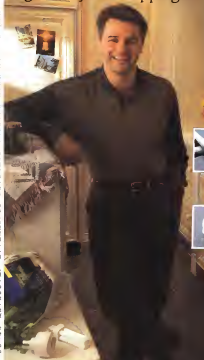
Even so, now in his senior years, he is threatening to become a beloved figure. The crowd in the beautiful room stadium at Roland Garros, July 16, 1990, then, cheered, ray screamed, his every success to grinding three hours, 56 minutes, against the shaggy whip-crackerer Swedish. One moment he is the arena's grand old man, the arrogant Jack Nicklaus of tennis, TV's courtide Socrates.

In a way it is odd that McEnroe has chosen this event to recognize that the career has come down on the last act of his long run, because there is wide agreement that the French Open is by far the most demanding of the four Grand Slam events. That is because of the red clay surface, which slows the ball and tends to pull it higher than the grass of Wimbledon and the rubberized asphalt courts of Australia and Flushing Meadows, the other Grand Slam venues.

"This is the toughest test," said Don Fickens, the former Davis Cup player for Canada and current broadcaster. "This is no serve-and-volley paradise. If a player needs a drop shot, must explore angles, must be prepared to endure 10 shots in every rally. And with what new technology has given the equipment, everybody can let the ball bounce. A player must be in fantastic shape just look at this match of McEnroe's, four hours for the four sets."

The French is one event that McEnroe greatly resists not winning, and his loss to the French there the one match he has most loathed. That was in 1984 when he was beaten by Yannick Noah, 6-3 and 6-0 in sets and then lost three in a row, 6-4, 7-6, 7-5. Now he'll never win it.

It pays to put power saver lights on your shopping list.



BE A POWER SAVER

Next time you're going shopping bring home some power savers. Fluorescent tubes use 70% less electricity, spread even light over wide areas and last at least 10 times longer than most ordinary bulbs. And keep halogens. Right in mind for pot lights, they add to your energy savings. And save energy by using 32 watt incandescent bulbs in other lamps and sockets in other rooms. There's a growing family of Power Saver bulbs down at your local store. And watch for money saving coupons on compact fluorescents and other energy saving products.

Call 1-800-265-9406 and ask for more information on Power Saver Home Lighting.

Ontario Hydro
Let's give tomorrow a hand.

*Registered trademark of Ontario Hydro.

SOMETHING TO THINK ABOUT THE NEXT TIME SHE SAYS SHE'S THIRSTY.

Milk or apple juice?
There's room for both
in a growing youngster's
diet.

But not one instead of
the other.

The illustrated chart
at right shows what your
child is getting from a
250 mL glass of either
apple juice or 2% Milk.

The apple juice
delivers just 3 essential
nutrients and about the
same calories as Milk.

Milk delivers
15 essential nutrients,
including 9 vitamins.

ENERGY, PLUS 15 ESSENTIAL NUTRIENTS.



A 250 mL serving of 2% partly-skimmed
Milk gives you the following percentages
of the Recommended Daily Intake for
these essential nutrients.



Those are the facts.
No other single
beverage gives your child
as many different nutrients
per glass as Milk.

A 250 mL single serving of Apple Juice
gives you the following percentages
of the Recommended Daily Intake for
these essential nutrients.



Now for some
purely subjective
opinion.

We don't think
any other drink
on earth is as delicious
or as comforting as
Milk.



Snipes (left), Soles, Forchuck balancing emotional honesty with a fine wit

FILMS

Redefining manhood

A screenwriter wrestles with his disability

THE WATERDANCE
Directed by Noel Jannet and Michael
Steinfeld

ON a summer night in 1994, Joel Jannet was walking along a hiking trail in Sacramento, Calif., when he slipped and fell into a shallow lake. He broke his neck, becoming paralyzed from the waist down. Suddenly, Jannet had to re-evaluate his life, and thus, had several remarkably promising. Although with a film career and just 34 years old, he had job offers from Hollywood studios and had already written a script that was about to be filmed. It was *Joel's Edge*, a last-generation drama about teenagers craving up a war, and three years later it opened to explosive acclaim. Jannet went on to become a successful screenwriter, most recently scripting the western musical *For the Boys*, starring Bette Midler. Now, he has written and co-directed *The Waterdance*, a movie inspired by his firsthand experience as a California rehabilitation hospital after his accident.

For more palpable than it sounds, *The Waterdance* is refreshingly true of Hollywood screenwriting. Moving without being maudlin, it is a story written, superbly acted and directed with a sincere sense of humor. Other movies have had wheelchair heroes, notably *Cosmo* (1993) and *Born on the Fourth of July* (1989), but both were about Vietnam veterans—and about America's Vietnam War legacy. *The Waterdance*, however, does not use disability to make a moral point. "I'm not tempted to say that the wheelchair was accidental to this story," said Jannet in a recent *Maclean's* interview. "The accident, that's it. But the story concentrates more on the relationship that the rehabilitation. It's about how he's coming to terms with his accident."

For *Joel*, best known for his performance as a disabled teenager in *Week*, plays Joel, a character loosely based on Jannet. A talented screenwriter, Joel becomes partially paralyzed after a hiking accident. Depending how formula, the movie portrays neither the accident nor Joel's life before it happened, not even a flashback. Instead, the story opens with Joel waking up with his head locked in a traction device called a halo. And the camera adopts his point of view as he is wheeled around the hospital, setting a very calm tone that underscores the most poignant moments of the film.

In rehab, Joel has to come to terms with his disability—and with his fellow patients. He shares the ward with a black man named Raymond (Orlando Saeed), a charming womanizer who lingers about his sexual exploits, and Bono (William Bercot), a white man who takes who's a grudge against the world in general and Raymond in particular. Joel tries to

remain aloof, almost numb in the knowledge that, because he is a writer, his injury has not affected his ability to generate his craft. But all three men become desperate as they try to get their lives back together. Raymond, who has a record of violence, is a danger of losing his wife Bono in waking a fierce lawsuit against the driver who hit his motorcycle as a man and light. And Joel is struggling to resolve a romance with Anna (Christine Hume), a married woman who had been considering leaving her husband for him before the accident.

The Waterdance explores the problems of paraplegics and the gross-forking humor. Snipes and Hume perform a love scene that is erotic, light-hearted and tender. But Joel's disability has left him unable to achieve orgasm, and no amount of understanding from Anna can take the edge off his bitterness. Bono taunts him with his worst fears: "How long do you think it's going to be," he asks, "before that pretty little girl of yours leaves you for someone who can turn her engine?"

The barriers dividing the patients gradually break down as they turn to one another for support. Together, they send their anger in the hospital's corridors. In one scene, they are right, they consider a visit to the doctor's office to a very close, an advantage reinforcement of the message involving rebellious mental patients in *One Flew over the Cuckoo's Nest*. The similarity is coincidental, Jannet insists, but he adds that he captured it to tell his script and "used" it as a metaphor.

"What makes this film unique is the amount of humor in the story," he said. "So when I was writing *The Waterdance*, that was my *Playpen*-type thing—that was Joel's Cuckoo's Nest to a rehab ward."

In fact, *The Waterdance* does not conform to any Hollywood prototype. There is no hero, no villain, and a novel ending without the finality of either triumph or tragedy. Snipes acts with deft understatement. There is a lot going on in his eyes, but he keeps it under control, making every move, trusting the world to understand. Jannet says that he cast Snipes in the role "because he had an edge. I knew he wasn't going to be for the audience's sympathy—and because he has a lot going on under the surface."

Snipes and Forchuck, meanwhile, emerge their supporting roles with wonderfully nuanced performances. And although *The Waterdance* is a comedy about men, the movie's two female leads, Hume and Bercot, are strong (who plays a physician's nurse), do more than hold their own. "I wanted an incredible cast," said Jannet, adding that the movie's low budget of about \$3 million made that easier. "Everyone was working for scale, so there was no one to cut out, no one."

The result is a drama of emotional reality. Its title evokes a dream described by Raymond: "I'm standing on the way," he says. "But I'm dancing. The only way I can win is if I keep dancing." *The Waterdance* balances humanity with a fine wit. *The Waterdance* never fails.

BRIAN D. JOHNSON



Denise trying to find new paths in the minefield of sexual politics

BOOKS

Secrets of sex

A writer casts a shrewd eye on the genders

Wendy Dumas, the author of *Men and Women* and *Love in the 90s*, was reading her Valentine's Day appearance on *60 Minutes*. The journalist, she has a pendant on a chain about relations between the sexes, found by Barbara Fromm (from which she took the title) from an advance copy of the book and took the opportunity to compliment her on it. "She said it showed a lot of insight, and that she thought it was going to be a hit," Dumas told Maclean's. Then, she added, Fromm "suddenly leaned across the table and said, 'This Wendy, has your mother read this book?'" Dumas said that she howled with laughter, and then recalled how Fromm's words and about how she imagined dinner at Denise's parents' house, "with everyone sitting around saying, 'We're glad Wendy is fatigued, and we know she's experienced, but did she have to tell everybody?'"

Part self-help manual, part social commentary, part investigative journalism, *Men and Women* (Key Porter, \$24.95) covers everything from the social constructs of sex to the postcoital phone call, from the political correctness of watching pornography to the plaintive pleas of lonely men and women. Dumas, a Toronto-based journalist and divorced mother of 11-year-old Sara, casts a knowing but never

praised eye over the minefield of contemporary sexual politics. And she writes in a witty, easy style that avoids the put-down tone that pervades most books of the type.

Frank and funny—sometimes downright snarky—the book evolved from a 1988 article on sexual etiquette that she wrote for *Toronto Life* magazine. The piece led to an article at a local, confidential Dumas's theme that confusion and conflict now prevail in matters of the heart. The response, and Dumas, advanced her into expanding her field of enquiry. Why were men and women having so much trouble getting through the bedroom door, much less being the sheets? "There wasn't a book out there that was telling me the answers in a way that made any sense to me," she said, "and that didn't make any indignities."

Dumas says that she spent two years writing and researching *Men and Women*. She read everything from *Consciousness* to *The New England Journal of Medicine* and interviewed 300 people face-to-face in several major North American cities. The respondents were split evenly between men and women, mostly ranging in age from late 20s to late 40s. She acknowledges that her methods are unscientific. The people she spoke to are urban sophisticates, articulate and extremely candid.

What surprised her most, Dumas said, was

the degree to which men feel at sea. As feminists brought about a reexamination of sexual roles, she writes, many men lamented the fact that there are "no clear guidelines or rules of appropriate masculine behavior anymore, that they simply don't know how to behave around women." Their response, she adds, is often to simply withdraw. At the same time, women complained to her that men, perhaps feeling defensive, are "cooping what few creatures had been a lifetime progression of withheld sex... as a means of control."

Women are also feeling ambivalent. As second feminists, Dumas argues that although no woman wants to give up the gains made in the past 25 years, many say that they are experiencing conflict over what they want in a man. "Their heads are telling them one thing and their hearts and loins are telling them another," Dumas said. She cites the example of a woman who shamelessly admitted to being sexually turned off by an attractive man who she found a copy of *Ms.* magazine at his house.

Some of the author's findings confirmed her worst fears about sadistic positions. Dumas said: "Most of the people she met were not using condoms in sexual encounters with new partners." That tells us that AIDS is still an attraction for many heterosexuals, she said. Other chapters cover such topics as extramarital affairs and relations among married couples, especially those with double incomes, the group she terms "the men—double income, no sex."

Although many of the anecdotes are dateness in the sheer silliness that they reveal. Dumas's description of them is often very funny. In one case, a woman recounts how after several dates with a lighthearted, uncommitted man, she finally succumbed sexually. The man never called her again. "I thought to myself, 'Well, maybe he died,'" she told Dumas. "Women tell themselves that maybe he died because they just can't believe a guy would be such a rotten son of a b—."

What sets Dumas's book apart, besides its humor, is the compassion she brings to her subject. She writes that she was repeatedly struck by the similar longings of men and women for intimacy and comfort, despite the pull between the sexes. "It breaks my heart to think of all the romances that aren't getting going because of these short-circuited signals," she said. And after several years of dating, a term that she describes as "fear as its underbelly" when she first encountered it after her 1984 divorce. Dumas herself finally made the right connection. Last year, after finishing the first draft of her book, she actively crossed friends and acquaintances—"I practically stopped people at the bus stop," she said laughingly—"to introduce her to someone. And it worked."

Dumas says that writing *Men and Women* showed her that in a time of great social turmoil, honesty, decency and empathy are most important that ever. And she points out that she began by writing a book about sex, but that would up writing one about honesty—sex that even her mother approves of.

DANIE TURBIDE

Plumbing the depths

A novel stirs up the waters of Chappaquiddick

BLACK WATER

By Joyce Carol Oates
(Shear & Shermans, 160 pages, \$22.95)

The last title story of Chappaquiddick is the one likely to most fascinate us as a tragedy that has occurred within their own family. On a soft summer night in 1969, a young woman, Mary Jo Kopolow, drove off with Senator Edward Kennedy and drowned after their car plunged from a bridge into eight feet of water on Chappaquiddick Island, Mass. *Black Water*, a dazzling new novel by Joyce Carol Oates, presents a fictional account of the incident from the point of view of the husband, a haunting perspective of the victim.

Oates, an increasingly prolific writer, has let her imagination play with the alluring, variegated landscape of American life, taking many intriguing forms in the past. In roughly 50 volumes, which include novels, plays, essays, poetry and short stories, she has explored such diverse material as a book-length essay on boxing, confessional poetic novels and contemporary novels that present agonies killing each other in the mind, telling their parents.

But she has never been so much in control of her material as in *Black Water*, a tight, fast, vibrant. The novel reads as though Oates were inside a young woman's dream moments. The book depicts its beauty, also encompasses politics and sex, older men and younger women—and the lure and corruption of fame.

The accident in the novel takes place in the early 1960s. From the opening chapter, a young woman in 1969, Oates creates free-flowing and breathless even though the outcome is never in question. "The rented Toyota," the novel begins, "drives with such implicit exuberance by the Senator, was speeding along the upturned unmarked road, taking the notes in gully skidding slowly, and then with so warning, somehow the car had gone off the road and

had overturned in black muting water, taking to its passenger's side, rapidly rising. Am I going to die—like this?"

In a series of some subsequent flashbacks, Joyce Carol Oates is identified as Elizabeth Anne Kennedy Kopolow, an "American girl," an intense young woman, idealistic and caring, who works for a political journal and does literary volunteer work on the side. Kelly meets the Senator, who is middle-aged and friendly, who was once close to the real-life Kennedy, at a Reach of July party on Grayling Island off the coast of Maine. Several factors—

a failed romance with a previous lover, an unresolved affair with her authoritarian father, her political idealism—make her eye for attraction to the Senator, a politician who was, within the novel, "a man of the moment... [with] a dilemma less and a tangled history."

His, too, is looking for something. Although he has given off a "youthful glow," he is not happy with himself or his industry. Oates describes a situation that is emotionally complex at the party, there is a moment in which the Senator comes up behind Kelly and she feels "his weight soft deep longings in her hair."

Enticed by the Senator's attention, she decides to leave with him. Kelly feels that she is embarking on "a writing romantic adventure." But, "despite the wealth with which they'd slipped away together," the Senator and Kelly never manage to achieve the heights of passion.

Facing trouble enough even to call out his first name.

Why does she do it? The Senator is disheveled, and Kelly is defecational—a fatal combination. Before the accident, he is holding a plastic cup filled with vodka and tonic. First, she takes him as he drives along the road. When he takes a wrong turn, he is reluctant to point out that they are lost. He remains polite right up until their death.

In language that is both lyrical and tough, Oates brings home the awful, horrible details of Kelly's death, describing how the "lily black water would rise to fill her mouth, her throat,

her lungs... a species of coughing and choking that would bar, black muck to be spat up."

Trapped in the passenger seat with her door crumpled in, she remains conscious long enough to realize that the Senator, "screaming like a great spurt maddened duck knowing to save itself by instinct," has shoved her away from him and extracted himself from the automobile. But Kelly remains trapped underwater, still believing, as she desperately grips for air and struggles in her mind their love relationship, that the Senator will come back to save her.

Stories from Kelly's life in the hands of the author. Dumas has vividly imagined that life, and has painstakingly tried to capture the complicated dynamics that would lead to such a tragedy—everything from the notion of a young contemporary American woman striving too hard for perfection, to how a single decision, made at a "reflexive and cautious" moment, could change her, in this case, lose a life.

From Kato's life, all-American past, Oates offers the image of a small child, dressed in "white sailor socks," running across the lawn to meet her parents. "I've always been someone's child—oh yes. In less glib hands, it could have been the stuff of melodrama, but *Black Water*, for the most part, is disciplined and unemotional, with a horrifying plot. In actually scrutinizing the patient laws of politics and sex, Oates has come up with some very dark water indeed.

JUDITH TIMMONS

Maclean's

BEST-SELLING LIST

FICTION

1. *Love's End*, J.D. Salinger
2. *Salvatore*, Cassin (3)
3. *Just*, Morrison (3)
4. *Dark Peak Rising*, John Grisham
5. *Brighton Falls*, Michael Ondaatje
6. *Devotion*, Atwood (1)
7. *Confessions of a Small-Town Girl*, J.D. Salinger
8. *The Evening Star*, McElroy (4)
9. *Chloe Lake*, Hale (7)

NONFICTION

1. *Witness of the Boleyn, Kesteven and John* (3)
2. *The Silent Passage*, Sharpe
3. *The Culture of Genderism*, Galloway (3)
4. *Redheads*, White (3)
5. *Washed Without Bath*, for Galloway, Galloway (3)
6. *Devotion*, Atwood (1)
7. *Revelation from Within*, Simon (1)
8. *A World Is Only by You*, Maclean's
9. *Power*, Berman, (1)
10. *Washed Without Bath*, for Galloway, Galloway (3)

(7) Position best used

Compiled by Brian Bellows



Being number 1— with a single-holer

BY STEWART MacLEOD

For the vast majority of Canadians, this won't be news. But for the few who were hatching along Mississauga at the time, clearly the most stunning event of recent times was Canada winning an honest-to-goodness world championship. And not from some flippant world culture telephone survey, no less, which judged Canada the best place in the world to live.

Now, we ask you, isn't that something? Sure, we have won the world hockey championship—31 years ago, to be exact. We held the world championship in most persistent telephone surveys, we have taken the world title for growing the biggest pumpkin, we're world champs at cross-border shopping and the world's best at producing Sledsation berries.

Now the crowning touch: Canada, after only two years of competition, has actually edged out Japan as the finest living place on the planet. After considering all aspects of "human development," the judges give Canada the gold. And since 67 years have passed since any North American entry outperformed the Japanese, we assume that this was merely a call on the McKinsey think-buffet. Might even help Dan Quayle get his mind off Mervyn Dymally.

But what's truly startling here is the potential for future improvement. If we could win this world championship now, given the current stability conditions of our national psyche, imagine our progress standing in normal times. The possibilities are mind-boggling.

If Canada is already the world's best living spot, how much more could we be judged if we didn't spend all our time talking about the Constitution? If Canada offers the best quality of life, with our sunny and carefree weather as well as industrial blunders on distant societies and deadly dangers on Senate reform, imagine the marvel of a Canada without this grating political bludge.

Even Norway and Sweden, which came in third and fourth, wouldn't want to be in the

Alfred Hitchcock in his studio.

Now, the crowning touch. Canada has actually edged out Japan as the finest living place.

same content with us. No country would.

The Constitution aside—and don't we wish—consider that, while the US people were crowing us, we heard from pollster Allan Gregg that in 13 years of surveying, he's never seen a Canadian public so cynical, rebellious and full of hypocrisy. "The public is not willing to let the government manage a two-hole solution," he told me in his New York City, home of the United Nations.

He's talking about world change here. So again, let's imagine how we'd be judged if we felt good about the government running, say, a three-hole. True, a survey tells us that 86 per cent of Canadians are happy with their lives, but by the time respondents get through listing the things they dislike, we had this brother in the Montreal Gazette "Hoggy Canadians—hate everything." One can only wonder what the US judges made of that.

Our ratings could've been helped when a senior Canadian official and our second forces weren't fit for battle. That news would be depressing at the best of times—but far more so while we have a minister of defence who remains around in a cage. National pride must count for something in the field of human development.

And surely the judges wouldn't have ignored our peculiar political disappointments. One would think we'd live pretty far from a provincial cabinet minister take a level-three test to prove she was taking the truth when she said she was lying. Or, in another case, to have a cabinet minister considered as a paid police informer. Presumably, it's difficult to know what goes into this human-development thing.

It, however, would be good to know. There are so much we could do, so easily, to enhance our position atop the world and perhaps ensure our championship for life. One simple starting point could be our national anthem. If we're going to continue the ludicrous practice of performing a musical stand-up before every tractor-pulling contest and broomball game, surely some composer can give us more inspirational accompaniment—like Australia's *Waltzing Matilda*, the best feel-good anthem in the world.

Beats all that stand-on-guard stuff. And we don't even need two-hole judges. They're not practical in Canada.

However, before trying to enhance our position on the best-country charts, perhaps we should try to learn something about the judges. Could it be possible that they are blessed with a sparkling sense of humor, that they know a great joke when we don't? Could they be thinking our perceived personalities actually add, in a recreational sense, to our enjoyment of life? That they think we are awfully laughing at ourselves?

Conceptually, they might think that being the national anthem is part of a good evening out—you know, like Sweden going to a dark and depressing movie to be cheered up, or Australian major players cowering an opponent's role in part of the program or rehearsal. It's obviously important to know before doing anything drastic—like dumping the beaver as our national symbol. No one, if a country can be judged the best in the world, while drawing inspiration from the world's most destructive rodent, we wouldn't want to take liberties with the judges' idea of human development.

Any fool country can adopt flags, English idioms, languages and the like, but a better? Only in Canada, you say?

Apart from their other faults, which include awesome inefficiency, beavers are the only members of the animal kingdom with the capacity to get environmentalist against environmentalist. Just how do you deal with a fur-bearing creature whose Protestant work ethic is actually dedicated to the destruction of towns—with nothing better in mind than perhaps weeding away the old cottage? It's not a bit like choosing between cuddly snails and the cockish snakes they destroy. No one wants to hug a rod.

Once we celebrate the pigging point—well, who knows, the RCMP might already have a paid informant at the United Nations—we could be champions for life. Meanwhile, let's enjoy our year on the podium; we don't get many.

Stewart MacLeod is Ottawa columnist for Thomson News Service.



*Why the experts prefer the taste
of water filtered by Brita.*



Experts with sensitive taste buds know the Brita® Water Filter System makes your water better. • The patented Brita filter reduces chlorine and odours. And eliminates 90% of lead and copper that may be in your tap water. It also softens your water without adding salt. • Giving you cleaner, tastier and healthier water. • Perfect for drinking alone or making all your kid's favourite meals, juices and even frozen treats. • And it only costs about \$6 a litre when you replace the filter about once a month. • That's why experts on taste agree, nothing can replace a Brita Water Filter System.

BRITA®
Makes your water better.



Are you wearing Dockers?



Or are you still wearing pants?

*They have a different attitude. They're casual
and comfortable. They're relaxed and stylish.*



*They're not pants. They're Dockers.
In 100% cotton. From Levi Strauss & Co.*